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TODAY:
HEALTH
Diet and Cancer Page 11

For Russians, An Election On Future of Democracy

By Daniel Williams
Washington Post Service

ST. PETERSBURG — It's a tough race in District 50 between Oleg Sergeyev, Oleg Sergeyev and Oleg Sergeyev.

Mr. Sergeyev the incumbent is running for his seat in the St. Petersburg city assembly against two candidates of the same name who represent no parties, made no public appearances and did not use their free television time. The team is only one in a cavalcade of dirty tricks in a campaign marked by vote buying, false absentee ballot-box stuffing, and intimidation. The election is also being held under the shadow of a major assassination.

The polls opened Sunday under snow and heavy police guard.

Many Russians regard the vote as the opening battle in a long and tense political season; the sinister atmosphere of this local election has taken on significance far from the winding canals of this mainly city.

National parliamentary elections are scheduled next year, and the presidential vote for 2000 — assuming it is not pulled forward by the failure of the ailing President Boris Yeltsin to serve out his four-year term. If dirt battles St. Petersburg, a sophisticated city that was once the vanguard of Russian democracy, it can easily overwhelm future votes elsewhere, observers reason.

The drama heightened dramatically Nov. 20 when gunmen ambushed and killed Galina Starovodova, a leading democratic activist who represented the city in the Duma, the lower house of Parliament. The shocking murder undermined the sprawling violence in Russia's second biggest city. More broadly, it raised the question of whether orderly democracy can survive.

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Mikhail Borodinsky searching Sunday for his candidate among the 577 names on the St. Petersburg ballot.



Counting Ballots Around the Globe

Hugo Chavez, the populist who was favored to win the presidential election Sunday in Venezuela, waving to supporters in Caracas. Page 3. • Taiwan voters chose stability over ideals in handing the Nationalist Party a crucial victory over the pro-independence Democratic Progressive Party in mayoral and legislative elections. Page 4. • Nigerians also voted this weekend in local elections that observers described as a positive step toward the presidential vote in February. Page 12.

See KOREA, Page 4

U.S. Urging Allies To Refocus NATO Europe Skeptical About Aiming At Weapons of Mass Destruction

By Steven Erlanger
New York Times Service

WASHINGTON — The Clinton administration is urging its European allies to embark on an initiative to combat weapons of mass destruction as an example of the kinds of new threats a modernized, post-Soviet NATO must deal with in the next century, senior American and NATO-country officials say.

In a Brussels meeting this week of the North Atlantic Council, designed to set the agenda for the 50th-anniversary NATO summit meeting here in April, the Americans will propose a new NATO Center for Weapons of Mass Destruction, commonly referred to as "WMD."

The center will be a clearinghouse for increased intelligence-sharing by Washington intended to produce a more unified assessment of the threats posed both by states like Iran or Iraq and "non-state actors," like terrorist groups of the kind led by Osama bin Laden.

But the Americans are also pushing greater alliance collaboration to deter weapons of mass destruction and to defend allied populations and territory against them. Proposals include alliance vaccines, advanced protective outfits for the military, detective equipment and other collaborative research and development, so each country of the alliance does not have to bear the cost of covering every contingency on its own.

"This is a microcosm for the new NATO, and for its larger debates and dilemmas," a senior American official said. "We're trying to ensure that NATO makes it effectively and relevantly into the new era."

But the debate over weapons of mass destruction and what the North Atlantic Treaty Organization should do about them is also a microcosm for a more controversial discussion over how far NATO should move beyond its traditional role — the collective defense of its members' territories — to what Secretary of State Madeleine Albright, in a memorandum to American ambassadors, calls "the broader concept of the defense of our common interests" — both in Europe and beyond.

NATO questions of mandate and reach are particularly sensitive after the Soviet collapse and while Europe pushes for a stronger political identity, with some muscle to match. While the United States and its overwhelmingly superior logistics and intelligence are considered mandatory for collective NATO action in Europe, whether in Bosnia or Kosovo, some Europeans also fear being made a junior partner to American strategic interests elsewhere such as the Middle East.

But American and British officials insist such fears are considerably and politically overblown. They argue that no one is trying to redefine Article 5, which mandates collective defense against attack, but to examine new ways, in this new world, that Article 5 could be triggered. While a Russian tank invasion is no longer a threat, a missile attack against Rome with a biological warhead on it would qualify as an Article 5 attack.

"Some don't like the idea because it

See NATO, Page 7

Drumbeat To Impeach Clinton Gets A Bit Louder

By Brian Knowlton
International Herald Tribune

WASHINGTON — Republicans and Democrats said Sunday that the full House of Representatives was very likely to vote for at least one article of impeachment against President Bill Clinton.

The comments indicated that the push for impeachment has picked up, and came as the House Judiciary Committee prepared for a grueling week. The panel outlined the White House over the weekend that the president's lawyers would be given 30 hours — from 9 A.M. to midnight on both Tuesday and Wednesday — to present a defense against allegations that Mr. Clinton lied about his affair with the White House intern Monica Lewinsky and tried to cover it up. The president's attorneys had asked for three or four days.

The committee is now expected to vote to send at least one article of impeachment, and possibly three or four, to the full House by the end of the week.

Even Democratic members of Congress conceded Sunday that the chances have grown that the House will send the matter to the Senate for trial. "We are in a position today that we didn't think I didn't think — we'd be in two or three weeks ago," said Senator Joseph Lieberman of Connecticut.

Orin Hatch, Republican of Utah and chairman of the Senate Judiciary Committee, said that in recent weeks, "Things have turned against the president."

The chief Republican vote-counter in the House, Representative Tom DeLay of Texas, said Sunday that a vote in the lower chamber appeared too close to call. "It's about a 50-50 proposition right now." While saying that he had not taken a precise head count, he added: "If we voted today, the president would be impeached."

Democrats questioned his conclusion, but some were clearly nervous.

"The simple arithmetic is this will be decided by one or two votes," said Representative Charles Schumer of New York, a Democratic member of the committee, "and that's frightening to me."

The presumption following the Republicans' setbacks in the Nov. 3 election that the party would lose its taste for impeachment has given way to a swelling anger. Many say Mr. Clinton's legalistic responses to 81 questions sent him by the Judiciary Committee demonstrated arrogance and a lack of repentance.

"The president basically stifled the Congress," said Representative Christopher Shays, Republican of Connecticut. "His answers to the 81 questions are outrageous. He still doesn't get it, he still doesn't tell the truth."

Such reaction echoed the angry responses to his Aug. 17 speech, in which Mr. Clinton acknowledged his relationship with Ms. Lewinsky but then assailed the independent counsel, Kenneth Starr, as being driven by partisan motives.

Mr. Shays said that while 15 to 20

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U.S. Pact With North Korea Is Nearing Collapse

By Philip Shenon
New York Times Service

WASHINGTON — With North Korea refusing to allow inspection of a huge underground construction site that could be used to hide a nuclear reactor, Clinton administration officials acknowledge that a four-year-old agreement meant to freeze North Korea's nuclear weapons program could collapse within weeks.

The 1994 agreement, which the administration has hailed as among its proudest foreign policy achievements, was supposed to end the threat that North Korea

would build a nuclear arsenal. But the discovery of the huge underground installation and North Korea's continued development of ballistic missiles have led many administration officials to wonder whether the agreement will have to be scrapped.

Under the so-called Agreed Framework of 1994, the North Koreans were promised billions of dollars in energy assistance, including two new nuclear reactors, the waste from which would be harder to turn into warheads.

In return, North Korea agreed to shut down its nuclear weapons program.

The North Koreans, frustrated by delays in the construction of the two new nuclear plants and by economic sanctions that have worsened a famine there, have described the administration's threat to break the agreement as virtually a declaration of war.

Even by the usual standards of its overheated language, recent statements on the issue by the North Korean government have been fierce.

"The U.S. imperialists are driving the situation to the brink of war," the official spokesman for the North

See KOREA, Page 4

AGENDA

Shuttle Nearing Its Rendezvous

HOUSTON (Reuters) — The U.S. shuttle Endeavour used its engines Sunday to begin a rendezvous with the Russian power station Zarya as astronauts can start assembling the \$60 billion, 16-nation international space station.

Endeavour was barreling down on Zarya from about 56 miles (90 kilometers) away when the shuttle commander, Robert Cabana, fired two engines to slow the shuttle's advance so that the Unity module could dock with Zarya.

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European Banks Near Euro Crunch

Europe's banks are reaching a crucial stage as the date for introducing the new currency, Jan. 4, nears. Bankers, software specialists and consultants are joining forces to prepare a banking system serving 290 million Europeans. Page 13.

Kim Dae Jung Points a Finger At the Barons

By Don Kirk
International Herald Tribune

SEOUL — In a society where the president is the ultimate authority figure, the former dissident Kim Dae Jung is attempting to bring unwilling conglomerates into line just the way his predecessors did it by telling them what to do.

Like his arch foe Park Chung Hee, who governed South Korea for 18 years until his assassination in 1979, Mr. Kim has made clear to the chairman of the country's five largest chaebol, or conglomerates, that they have to trim down to three or four core industries apiece or face severe penalties.

The top five chaebol — Hyundai, Samsung, Daewoo, LG and SK — now own from 37 to 63 subsidiaries each.

Summoning the five chairmen to the Blue House, the seat of presidential power here, on Monday, Mr. Kim plans to give them until the end of the year to come up with detailed restructuring plans along with a timetable for carrying them out within weeks, according to government officials.

In what has become a power struggle between big government and big business, the process of downsizing, selling off and merging companies once accustomed to unlimited credit from favorite banks has come to be known as the "Big Deal." Mr. Kim's government has moved gingerly to use the kind of power that his predecessor, Mr. Park, took for granted — his authority to order state-owned banks to extend or withdraw credit as he saw fit to companies deemed likeliest to succeed.

The government no longer owns most of the banks, but it still can tell the banks to cut off credit, and Mr. Kim's top aides have been saying repeatedly of late that they plan to use that power if needed.

Warning that "the bottom is yet to

See CHAEBOL, Page 14

All of Israel Bruised By Soldier's Beating

Some See Softness, Others a Lack of Pity

By Lee Hockstader
Washington Post Service

JERUSALEM — Last Wednesday, Corporal Asaf Myara, a 19-year-old Israeli soldier, was disarmed, stoned and stomped almost senseless by a Palestinian mob. Television cameras captured every blow.

Every day since then, the rough treatment of Corporal Myara has continued, this time at the hands of Israeli Army officers, journalists and politicians.

The Palestinian rioters left him with head wounds requiring stitches, blurry vision and impaired hearing. His own countrymen have left him stunned, scared of a court-martial and "like a time bomb waiting to go off," his mother said.

In the blink of an eye, Corporal Myara has become an Israeli Rodney King, his moment of agony immortalized on videotape and rebroadcast in slow motion for all the world to see. But there is a twist: Unlike Mr. King, the subject of an infamous beating by Los Angeles police officers, Corporal Myara was the uniformed and armed figure of authority. His attackers, the Palestinians, are usually the ones shown being assaulted on national television.

That astonishing role reversal — the televised spectacle of an Israeli soldier being dragged from a car and kicked on the ground by rioters in the West Bank — has inflamed the Israeli public and fueled a bitter national debate.

And without a public word from Corporal Myara — soldiers here are generally forbidden to speak to the news media — he has suddenly become a Rorschach test for all of

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A Palestinian youth using a sling to launch a rock at Israeli soldiers Sunday near the West Bank village of Salfit. The beating of an Israeli soldier has led to a suspension of troop withdrawals.

Annan's Gamble Fails to Break Lockerbie Impasse

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — The United Nations secretary-general, Kofi Annan, gambled on an unusual trip to Libya but apparently failed to persuade Colonel Muammar Gadhafi to turn over two suspects wanted in the bombing of a Pan Am jet over Lockerbie, Scotland, in 1988.

After keeping Mr. Annan waiting nearly all day Saturday at the Libyan coastal town of Sirte, Mr. Gadhafi later met briefly with the secretary-general. Mr. Annan said afterward that the talks at an undisclosed location had been "fruitful and positive,"

but indicated that obstacles remained in the path to a trial in the Netherlands.

"The Lockerbie problem is an invented and complicated one and it is not logical and reasonable to solve it under the pressure of what is called the 10th anniversary of the Pan Am accident," the diplomatic editor of the official Libyan press agency, JANA, wrote Sunday.

The editor, quoted by Reuters, played down the significance of the meeting. "Kofi Annan did not hold talks with the brother leader of the revolution. He merely went to see him where he was in the Libyan desert, to salute him and greet him on his recovery," he said.

At a news conference in Tripoli after the meeting, Mr. Annan said, "Libya has confirmed its seriousness

and readiness to find a solution to the Lockerbie problem."

"Libya has also agreed to a trial in a third country and believes that it ought to be possible to find answers to all other outstanding issues related to this matter," he said.

But a trial in a third country, specifically the Netherlands, was not the outstanding issue Mr. Annan went to Libya to discuss. That compromise had been agreed to with the United States and Britain in August after the Libyans balked at a trial in either country.

The problems that have arisen since come from

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Newsstand Prices	
Sabirah	1,000 BD Malta
Cyprus	C 1.00 Nigeria
Danmark	17 DKK Oman
Denmark	12.00 DM Qatar
Denmark	2.08 Pp. Ireland
Great Britain	21.00 S. Africa
Egypt	5.50 S. Africa
Jordan	1,250 JD U.A.E.
Kuwait	160 US \$ (S.A.)
Kuwait	700 Pp. Zimbabwe

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The Steve Wynn Blitzkrieg / Changing the Face of Gambling

Powerhouse of the Casino Unleashes His Political Muscle

By Brett Pulley
New York Times Service

LAS VEGAS — In a modest office building across the street from the Déjà Vu nude showgirls lounge, 15 workers, most of them elderly, spend their days in a long, narrow room lined with cubicles, computers and telephones.

The door to the room has a sign that reads "Telephone Operations." Inside, the workers poll voters on coming political races, survey the nation on issues and make get-out-the-vote calls for candidates. "I'm going to read you the names of some people in our community," a worker repeatedly recited from a script in the days before last month's election. "After each, please let me know if your impression of them is favorable or unfavorable."

The telephone room does not belong to a political party, a candidate or a consulting firm. It belongs to Stephen Wynn, chief executive of Mirage Resorts and the driving force behind the new \$1.9 billion Bellagio casino hotel here, the man most responsible for reshaping the way the United States perceives casinos.

"We're in the political business now," Mr. Wynn declared in 1994 after several efforts to expand his company ran afoul of elected officials in Connecticut, Detroit and Vancouver, in Canada. And so in Wynn fashion, he has used campaign contributions, lobbyists and his corporation's own expertise and manpower to assemble one of the most powerful political machines in the nation. As he goes about building casino resorts in New Jersey and Mississippi and enlarging his Las Vegas empire with the extravagant Bellagio, political muscle is a vital element in his ambitious plan to transform his industry.

"Steve Wynn's control over politicians is all-encompassing," said Steve Miller, a former member of the Las Vegas City Council who has frequently been at odds with Mr. Wynn. "It's overwhelming. Either you work for him or he tries to get you out of office."

Considered by many Nevadans to be the most powerful man in the state, Mr. Wynn gets roads rerouted, public transportation projects scuttled and public land decided over to his company. He wields his influence not only to expand his company beyond Las Vegas, where it owns four casinos plus a half interest in a fifth, but also to advance the public's acceptance of casinos as he builds palaces so lush that they become must-see stops on America's road map.

"There is a change taking place," Mr. Wynn, 56, said in an interview, whispering for effect. His new casinos will be "more elegant, more lovely, more complete and fetching than anything done before."

"And it has nothing to do with gambling," he said.



The Associated Press

In the past, of course, when a state rejected a Mirage casino but he was urged to build a hotel and entertainment complex anyway, Mr. Wynn refused. The gambling, he said, will "certainly help us pay for it all."

To help realize his ambitions, Mr. Wynn has made Mirage one of the largest contributors among casino companies to federal candidates and the Democratic and Republican parties, even though competitors like Harrah's and Hilton own more casinos in more states. In the two years leading into the last election, Mirage gave \$464,596, at that level, and it says it contributed \$650,000 more to local and state candidates.

In Mississippi, where its \$650 million Beau Rivage in Biloxi will employ 4,000 people, Mirage is already one of the largest contributors to local races. In Biloxi's mayoral race in 1997, campaign finance records show that Mirage was the largest single contributor to the successful re-election campaign of Mayor A.J. Holloway.

In addition to his deep pockets, Mr. Wynn uses his opulent properties to woo politicians. A 1995 fund-raiser at Shadow Creek, Mirage's ultraexclusive Las Vegas golf resort where caviar is served on the fairway, raised \$300,000 for the presidential campaign of Bob Dole. The casino operator begged his bets, attending a \$25,000-a-plate fund-raiser for President Bill Clinton and contributing to the Democratic National Committee.

What sets Mr. Wynn apart is his polling

operation, which enables him to influence elections and gain the favor of politicians who decide everything from new roads that lead to his casinos to taxes paid by the entire industry. Under the guidance of Punam Mathur, Mirage's director of government and community relations, polls are taken on everything from school board races to gambling initiatives in states where the company might want to do business.

The telephone operation also conducts marketing and corporate surveys. In southern Mississippi, for example, where the labor force is very tight, Mirage conducted surveys of residents to learn what job benefits would make its casino attractive to potential employees. The company then shares its polling data with preferred candidates.

"It's nice to be able to call a candidate and say, 'Whatever you're doing, keep it up,' or 'You better start working because your opponent is beating you,'" Ms. Mathur said.

Mr. Wynn also conducts voter registration drives for his 26,000 employees and their families in Nevada, where Mirage has its corporate headquarters. He and his staff personally meet with as many as 350 candidates in an election year before deciding whom Mirage will support. Then, before Election Day, he issues his employees a voter guide with stars next to the names of candidates who have received his "seal of approval."

The Mirage telephone operation pays dividends in many ways. For example, when

Stephen Wynn, right, the driving force behind the \$1.9 billion Bellagio casino hotel in Las Vegas: "There is a change taking place. His new casinos, he says, will be 'more elegant, more lovely, more complete and fetching than anything done before.'"



Lance M. Jackson/The Associated Press

Yvonne Atkinson Gates, chairwoman of the Clark County Board of Supervisors in Nevada, wants to hold a community meeting, she calls the Mirage telephone room to have it place calls to residents.

"They record a telephone message with my voice on it and do the dialing for me," said Ms. Gates, who, as head of the county board that must approve casino development along the Las Vegas strip, is a vital link to Mr. Wynn's continued success.

To the envy of many other casino owners, Mr. Wynn has got what he wants from the county board, as well as from other local entities. To expand his Golden Nugget casino, he persuaded city officials to deed him a downtown street. In developing the Bellagio, he struck a deal with the county board of supervisors that enabled Mirage to build a nine-acre lake with 1,100 fountains in front of the hotel, despite a local ordinance that bans new artificial lakes in the desert city.

Along the Mississippi Gulf Coast, with its strange brew of magnolia trees, antebellum mansions and high-wattage casino lights, Mr. Wynn's Beau Rivage is quickly becoming a force in local politics. "These Beau Rivage people, they want to control everything," said a Biloxi city official, who spoke on the condition of anonymity. One of Mirage's first moves in Biloxi was to hire the same law firm that represents the city on casino matters.

IN WASHINGTON, where until a few years ago the industry had only a scattered presence, Mr. Wynn was instrumental in forming the American Gaming Association, which pays \$800,000 a year to Frank Fahrenkopf Jr., a former Republican National Committee chairman, to lead the industry's lobbying efforts.

"I think Steve is doing what he does best," said John Smith, author of "Running Scared," an unauthorized biography against which Mr. Wynn has a defamation lawsuit pending. "He has been most effective at making the gambling industry a legitimate industry that does things like lobbying and contributing to candidates."

Weeks before Mr. Wynn graduated from the University of Pennsylvania in 1963, his father,

a gambler and Maryland bingo parlor operator, died of heart disease at age 46, leaving the family with huge debts from his gambling losses. Stepping in to take over the bingo parlor, Mr. Wynn was on his way to helping build the country's fledgling casino industry.

He soon moved to Las Vegas, invested in the mob-tainted Frontier casino, ran a liquor distributing company and entered into a real estate investment involving Howard Hughes that netted Mr. Wynn more than half a million dollars in less than a year.

Charming Wall Street as he now does politicians, Mr. Wynn first took control of the Golden Nugget in Las Vegas, and then with the aid of Michael Milken, then the junk bond financier, he built the Golden Nugget in Atlantic City in 1980 for \$140 million. He later New Jersey's heavy regulation of casinos, however, voting never to return to the state.

As Mr. Wynn refined his ability to negotiate with politicians, he reversed that position. After the industry successfully lobbied New Jersey officials to relax casino regulations, he then persuaded them to provide \$220 million in public money — in addition to \$110 million of Mirage's — for a roadway and tunnel that will lead to Le Jardin, a \$1 billion casino development planned by Mirage. Last month, the state broke ground on the roadway.

"The guy is very smart," said Alan Marcus, a spokesman for Donald Trump's casinos, which adamantly opposed Mr. Wynn's Atlantic City plans. "He's so smart he took their pants off. He got everything he wanted."

Under Mr. Wynn, Mirage has grown into a \$1.5 billion-a-year company, its stock rising an average of 28 percent a year since he took over 25 years ago. He controls more than 15 percent of the stock, and his wife and brother also own substantial shares.

To be sure, he has not pulled it all off alone. He is praised for surrounding himself with talented people, and his reputation for treating his employees well is legendary. He once surprised his 400 managers and executives in Atlantic City with new cars. Last year, Fortune magazine named Mirage as one of America's "most admired" companies, second only in Coca-Cola.

All you need to know about the Euro

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For the most comprehensive coverage on the coming of the Euro, buy a copy today of Newsweek's special issue, 'Euroland! New Money for the Old World'.



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All you need to know.

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Armenia, Bangladesh, Ivory Coast, Nicaragua, Thailand, Venezuela.

TUESDAY: Andorra, Argentina, Austria, Chile, Colombia, Costa Rica, Italy, Liechtenstein, Mexico, Mozambique, Nicaragua, Panama, Paraguay, Peru, Portugal, Spain, Vatican City, Venezuela, Uzbekistan.

WEDNESDAY: Brazil, Tanzania.

THURSDAY: Ecuador.

FRIDAY: Bahrain, Brunei, Bulgaria, Egypt, Israel, Oman, Saudi Arabia.

SATURDAY: Kenya, Mexico, Russia.

SUNDAY: Maldives.

Source: I.P. Morgan, Bloomberg, Reuters

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TRAVEL UPDATE

More Disruptions Seen From French Rail Strike

PARIS (AFP) — A railroad strike in France will continue to disrupt services across the country this week, although high-speed international trains will not be affected, the railway management said Sunday. Ticket inspectors in most parts of the country agreed Sunday to continue their 10-day strike, sources said.

Service will not be hit in the area around Paris, where high-speed international connections to the Eurostar to Britain, the Thalys link to Brussels, Cologne and Amsterdam, northern European services and routes to Switzerland and Grenoble will also run normally. Operations on the Paris-to-Lyon high-speed route are expected to be close to normal Monday.

Connections from Paris likely to be hit hard Monday include routes to Cherbourg, Toulouse and Clermont-Ferrand. Rail workers have been striking in demand for extra staff and higher wages.

Air Algerie employees went on an indefinite strike Sunday, grounding all the airline's 40 planes, to put pressure on managers to cancel an overhaul plan that includes a one-third reduction in the company's 9,000-strong workforce. "Not a single plane has taken off or will take off from or land in any airport across the country on Sunday," a union spokesman said. "All the planes are grounded." The management of the state-owned airline was not available to comment. Most foreign airlines have been staying away from

Algeria since 1994, when rebels hijacked an Air France plane. (Reuters)

Air traffic in and out of Strasbourg could be interrupted Monday because of a planned strike by airport firemen, the airport said Sunday. The 31 firemen, hired by a subcontractor on three-year contracts, threaten to strike to press their demand for the status of full employees, the airport said. Air France said it would reroute Strasbourg flights to nearby airports and use buses to shuttle passengers to the city. (Reuters)

Two jets flying about 30 miles (50 kilometers) southwest of Albany, New York, nearly collided last week, apparently because of a computer malfunction, the U.S. Federal Aviation Administration said over the weekend. The agency is investigating the incident, which occurred Tuesday night at 22,500 feet (6,860 meters), a spokesman said. An automated, onboard computer system appears to have put a Northwest Airlines plane, carrying 60 passengers, and an Air Ontario plane with 21 passengers on a collision course. The spokesman said the planes flew less than a mile apart horizontally and 300 feet apart vertically. (AP)

Travel agents showed up at the site of the opening ceremonies of the Asian Games in Bangkok on Sunday to unload tickets they failed to sell. Disappointed at a lack of interest in the event amid a regional economic crisis, some tour operators took to direct sales. Rajamangkok Stadium to try to recover investment. The manager of one tour company said he had bought 800 tickets for the ceremony but had sold only 300. (Asean)

WEATHER

Europe

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11
Denmark	17/11	10/11	19/11	10/11	19/11
France	17/11	10/11	19/11	10/11	19/11
Germany	17/11	10/11	19/11	10/11	19/11
Greece	17/11	10/11	19/11	10/11	19/11
Ireland	17/11	10/11	19/11	10/11	19/11
Italy	17/11	10/11	19/11	10/11	19/11
Japan	17/11	10/11	19/11	10/11	19/11
Spain	17/11	10/11	19/11	10/11	19/11
Sweden	17/11	10/11	19/11	10/11	19/11
Switzerland	17/11	10/11	19/11	10/11	19/11
U.K.	17/11	10/11	19/11	10/11	19/11
U.S.	17/11	10/11	19/11	10/11	19/11
Venezuela	17/11	10/11	19/11	10/11	19/11

Forecast for Tuesday through Thursday, as provided by AccuWeather.

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11
Denmark	17/11	10/11	19/11	10/11	19/11
France	17/11	10/11	19/11	10/11	19/11
Germany	17/11	10/11	19/11	10/11	19/11
Greece	17/11	10/11	19/11	10/11	19/11
Ireland	17/11	10/11	19/11	10/11	19/11
Italy	17/11	10/11	19/11	10/11	19/11
Japan	17/11	10/11	19/11	10/11	19/11
Spain	17/11	10/11	19/11	10/11	19/11
Sweden	17/11	10/11	19/11	10/11	19/11
Switzerland	17/11	10/11	19/11	10/11	19/11
U.K.	17/11	10/11	19/11	10/11	19/11
U.S.	17/11	10/11	19/11	10/11	19/11
Venezuela	17/11	10/11	19/11	10/11	19/11

Asia

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11
Denmark	17/11	10/11	19/11	10/11	19/11
France	17/11	10/11	19/11	10/11	19/11
Germany	17/11	10/11	19/11	10/11	19/11
Greece	17/11	10/11	19/11	10/11	19/11
Ireland	17/11	10/11	19/11	10/11	19/11
Italy	17/11	10/11	19/11	10/11	19/11
Japan	17/11	10/11	19/11	10/11	19/11
Spain	17/11	10/11	19/11	10/11	19/11
Sweden	17/11	10/11	19/11	10/11	19/11
Switzerland	17/11	10/11	19/11	10/11	19/11
U.K.	17/11	10/11	19/11	10/11	19/11
U.S.	17/11	10/11	19/11	10/11	19/11
Venezuela	17/11	10/11	19/11	10/11	19/11

Africa

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11
Denmark	17/11	10/11	19/11	10/11	19/11
France	17/11	10/11	19/11	10/11	19/11
Germany	17/11	10/11	19/11	10/11	19/11
Greece	17/11	10/11	19/11	10/11	19/11
Ireland	17/11	10/11	19/11	10/11	19/11
Italy	17/11	10/11	19/11	10/11	19/11
Japan	17/11	10/11	19/11	10/11	19/11
Spain	17/11	10/11	19/11	10/11	19/11
Sweden	17/11	10/11	19/11	10/11	19/11
Switzerland	17/11	10/11	19/11	10/11	19/11
U.K.	17/11	10/11	19/11	10/11	19/11
U.S.	17/11	10/11	19/11	10/11	19/11
Venezuela	17/11	10/11	19/11	10/11	19/11

Latin America

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11
Denmark	17/11	10/11	19/11	10/11	19/11
France	17/11	10/11	19/11	10/11	19/11
Germany	17/11	10/11	19/11	10/11	19/11
Greece	17/11	10/11	19/11	10/11	19/11
Ireland	17/11	10/11	19/11	10/11	19/11
Italy	17/11	10/11	19/11	10/11	19/11
Japan	17/11	10/11	19/11	10/11	19/11
Spain	17/11	10/11	19/11	10/11	19/11
Sweden	17/11	10/11	19/11	10/11	19/11
Switzerland	17/11	10/11	19/11	10/11	19/11
U.K.	17/11	10/11	19/11	10/11	19/11
U.S.	17/11	10/11	19/11	10/11	19/11
Venezuela	17/11	10/11	19/11	10/11	19/11

Oceania

	Today	Low	High	Low	High
Algeria	16/11	10/11	19/11	10/11	19/11
Austria	17/11	10/11	19/11	10/11	19/11
Belgium	17/11	10/11	19/11	10/11	19/11

THE AMERICAS

The Venezuelan 'Warrior' Candidate

By Diana Jean Schemo
New York Times Service

CARACAS — The podium rose two stories above the multitude, but El Comandante, Hugo Chavez, floated higher.

Standing in a box draped to look like a balcony, raised by a mechanical lift, he swept his arm over his head, vowing to throw out Venezuela's legendary corruption in one swift and forceful toss.

"We're witnessing a real revolution, which cannot be stopped by anything or anybody," Mr. Chavez, a fiery 44-year-old former military leader turned presidential candidate, told a crowd of 700,000 at his closing campaign rally last week. Many wore the red beret of the military special forces in a sign of support. "We have a popular avalanche," Mr. Chavez said, predicting he would win with 60 percent to 80 percent of the vote.

To business leaders and international investors, Mr. Chavez is the red menace resurrected. To the poor, he is the impatient savior who is already smashing the chubby machine of mutual favors at the top of Venezuelan politics.

Mr. Chavez, who tried to storm the presidential palace in a failed coup attempt six years ago, was the front-runner in the presidential elections Sunday.

In voter surveys, he led by as much as 15 percentage points over his nearest opponent, a silver-haired two-time governor of Carabobo state, Enrique Salas Renteria. Mr. Chavez spent two years in jail after the coup attempt but was released in 1994, when President Rafael Caldera, who was leaving office, dropped the charges against him.

At that time, Mr. Chavez visited Cuba and praised Fidel Castro and "the Cuban way." There have also been reports of direct contacts with the leftist rebels in Colombia, Venezuela's neighbor to the west, which Mr. Chavez has denied.

Both Mr. Chavez and Mr. Salas were vague on economic plans, and both criticized the traditional party machinery. But Mr. Chavez's role in trying to overthrow the government of President Carlos Andres Perez, his vitriolic oratory and his support for Cuba have terrified upper-class Venezuelans, who have been sending their money and other assets out of the country for fear of a Chavez victory.

Wearing the black shirt and the red beret of the special forces, Mr. Chavez noted his record as a "warrior" at the rally. "Clearly, today I am a warrior for peace, fighting for true democracy," he said, "but combatants we are. We are making this war for Venezuela. We do it in peace, but we are warriors."

As he gained in popularity, Mr. Chavez moderated his talk, in some

instances contradicting earlier statements. He more recently said he was "neither for savage capitalism, nor socialism, nor communism," but for a gentler kind of capitalism.

The United States has denied Mr. Chavez a visa but has said it will work with whoever wins the election. Analysts close to the Chavez campaign said his team had made overtures to U.S. officials and discussed a post-election visit to New York and Washington.

His supporters and detractors agree on one point: The rise of the would-be strongman is a symptom of the Venezuelan government's sustained neglect of most of the population, something that has given democracy a bad name here.

Though Venezuela is the leading exporter of oil to the United States, four out of five Venezuelans live in poverty. About 40 percent are in dire poverty, which means they are malnourished. For many citizens, the sole explanation for the overwhelming misery despite the oil wealth is corruption, which has indeed flourished.

The clarion call of this year's campaign is change, short of revolution. While Mr. Salas promises change, Mr. Chavez — with his booming denunciations of *los corruptos* and his pledge to "try" the heads of the political bigwigs — embodies it.



Hugo Chavez and his daughter Rosa sharing a smile.

POLITICAL NOTES

Reno Unlikely to Seek Inquiry Of Funds by a Special Counsel

WASHINGTON — Top Justice Department officials advised Attorney General Janet Reno over the weekend not to seek an investigation of President Bill Clinton's 1996 campaign fund-raising by an independent counsel, and she appears likely to accept the recommendation, according to senior officials.

Under a timetable set by law, Ms. Reno must announce Monday whether she has found enough indication that Mr. Clinton may have committed crimes that would require her to seek an outside investigator under the Independent Counsel Act.

Allegations that the president had dodged federal campaign spending limits by misusing Democratic Party funds triggered the department's campaign finance investigation 25 months ago, and have remained the premise of virtually every accusation that a criminal conspiracy tainted the president's re-election.

At a meeting of top aides and officials from the department's criminal division, Ms. Reno heard arguments that the laws Mr. Clinton allegedly transgressed were murky at best, and that there is convincing evidence that the president attempted to ensure that his campaign did nothing wrong, the officials said. (WP)

Judge Clears Starr Lawyers

WASHINGTON — The prosecutors for the independent counsel Kenneth Starr did not improperly prevent Monica Lewinsky from calling her lawyer when they first confronted her about her relationship with President Bill Clinton last January, a federal judge has ruled, while questioning their conduct in talking to Ms. Lewinsky about an immunity deal without a lawyer present.

The April 28 ruling by U.S. District Judge Norma Holloway Johnson cleared Mr. Starr's office of several misconduct allegations that the White House and congressional Democrats have promoted in their attack on Mr. Starr's tactics. The Democrats' criticism escalated with the release of grand jury testimony in September in which Ms. Lewinsky complained that she felt threatened when Mr. Starr's prosecutors confronted her Jan. 16 and said she was discouraged from calling her lawyer at the time, Francis Carter. Only after 11 hours with Mr. Starr's prosecutors did Ms. Lewinsky consult a lawyer, William Ginsburg.

But Judge Johnson faulted Mr. Starr's prosecutors for their handling of a discussion of immunity on Jan. 16. Saying that it could be a violation of Justice Department policy, Judge Johnson wrote that "the office of independent counsel may have acted improperly in conducting immunity negotiations with Ms. Lewinsky without the presence of her counsel, but declines to take further action on this particular matter." (WP)

Quote/Unquote

Bill Bradley, the former New Jersey senator, has set up an exploratory committee for a possible presidential campaign. When asked about Iowa, an early caucus stop, he tells of being an 11-year-old Little League baseball player in the regional championship game in Keokuk: "I'm on first and we're trailing by a run. I take a step off the base, the guy does the hidden-ball trick and, bang, we lose. Ever since, I've dreamed of going back to Iowa and winning one." (NYT)

Hoffa Wins Teamsters' Presidency and Vows 'New Militancy'

By Steven Greenhouse
New York Times Service

ALEXANDRIA, Virginia — James P. Hoffa won election to the presidency of the Teamsters union, the job that his powerful father held for more than a decade, after the main opponent conceded defeat.

With the concession from Tom Leedom, Mr. Hoffa, a labor lawyer from Detroit, will take the helm of one of the largest unions in the United States.

The victory on Saturday returns the Hoffa name to the head of a union that federal officials had long called the most corrupt, particularly when Mr. Hoffa's father, James R. Hoffa, led the organization from 1957 to 1971. The elder Hoffa disappeared in 1975.

"Speaking Sunday on the NBC News program 'Meet the Press,' Mr. Hoffa claimed victory and promised to bring a new militancy to the union, The Associated Press reported from Washington.

"This union has been through a

civil war," Mr. Hoffa said. "We have got to pull it together, we have got to restore the financial integrity of this union, we've got to restore confidence and hope in this union, get the people back to believing in their union."

He said two objectives would be to balance the union's budget without raising dues and to fight for better contracts. "We're going to see a new militancy in the Teamsters union in our negotiations,"

With ballots processed from the union's southern, eastern and western regions, Michael Cherkasky, the federal election monitor, said Mr. Hoffa had 100,899 votes, or 54 percent, while Mr. Leedom, head of the union's warehouse division, had 74,700 or 40 percent. A third candidate, John Metz, a St. Louis Teamsters' leader, had 9,225 votes, or 6 percent.

In conceding defeat, Mr. Leedom said, "The returns have made it clear that our campaign for rank-and-file power ran out of time. Hoffa has campaigned for four years,

spent \$6 million and had a famous name, but in six short months we came from nowhere to build a grassroots campaign for rank-and-file power."

Mr. Hoffa's lead is expected to expand after the counting of votes from the Midwest, which is his home turf and was his father's stronghold. About 420,000 votes were cast, and a final tally was expected Monday.

Mr. Hoffa, 57, won the race in his second attempt, having lost narrowly in 1996 to Ron Carey, the incumbent. That result was overturned and a new election ordered when a federal monitor found that three Carey aides had misappropriated more than \$700,000 from the Teamsters' treasury to help the Carey campaign. Mr. Carey was later expelled from the union and Mr. Leedom replaced him as a candidate.

This year, the Hoffa camp spent almost \$1 million, while the Leedom campaign spent about one-fourth that amount.

Mr. Hoffa narrowly wooed the South, with 14,282 votes, followed by 13,197 for Mr. Leedom and 1,062 for Mr. Metz. Mr. Hoffa ran more strongly in the East, after having lost it by 21,000 votes to Mr. Carey in 1996.

This year, Mr. Hoffa received 65,196 in the East, Mr. Leedom received 43,611 and Mr. Metz, 7,192.

Mr. Hoffa, a graduate of the University of Michigan Law School, ran on a platform promising to reunite the badly splintered union and to give more power back to state and local Teamsters organizations.

Mr. Leedom styled himself as an anti-corruption reformer in the fashion of Mr. Carey when he first won the union's leadership in 1991, and Mr. Leedom promised to involve the rank and file more in negotiations and other union activities.

Jody Rodriguez, a ballot observer who works at a Yellow Freight trucking terminal in Columbus, Ohio, offered this assessment: "We

feel like Jimmy's the Messiah of the labor movement. He's for the working-class people, and he's the guy who's going to rebuild this union. There's nothing wrong with having an educated attorney heading the union instead of truck drivers because that will help us even the playing field with companies."

It will not be easy to restore the Teamsters in their power of old, largely because the union's membership has slipped to 1.4 million from 2.3 million in the 1970s and the overall power of the labor movement has declined.

But supporters of Mr. Hoffa say they hope that he is the man who will lead the resurgence of labor and attract hundreds of thousands to the Teamsters banner.

"I think he'll do the same thing his father did, build up this union," said Danny Moussette, a Teamsters official from Chicago who began driving trucks in 1960. "With the solid people Jimmy has around him, he'll be able to build this union back up to 2 million."

AMERICAN TOPICS

Scrapped War Fleet Serves As Haven for Potomac Birds

In a Maryland backwater of the Potomac River called Mallows Bay, 30 miles south of Washington, an eerie scene emerges from the early-morning mist: the rotting remains of more than 100 wooden ships built in a misguided World War I crash program.

When President Woodrow Wilson issued a call to arms against imperial Germany in 1917, U.S. shipping was a dire concern, reports *Invention & Technology* magazine. Shipyards had launched only 540,000 tons of blue-water shipping from 1899 to 1915; now, to move men and supplies across the submarine-infested Atlantic, 6 million tons would have to be built in 18 months.

A novel plan to build wooden ships was launched. The vessels could be produced by semiskilled workers, which would be fast and cheap and would not tie up naval shipyards. The plan was to launch 1,000 wooden steamships within 18 months; each 240 to 300 feet (73 to 90 meters) long, 50 feet wide and 10 feet deep. Millions of feet of timber were badly cut; ships, weakly constructed and badly caulked, were dangerously unseaworthy. Only 98 ships had been delivered by the end of the war, but with bureaucratic momentum, construction continued.

The diesel engine and the awful postwar economy made the wooden fleet obsolete. The entire 233-ship armada, which had cost \$700,000 to \$1 million per vessel, was sold in 1922 for \$750,000 to a Virginia salvage company. But the ships obstructed navigation, and 31 vessels were set ablaze in a huge conflagration. A few years later the salvage company went bust. Today, the hulks of more than 100



WHITEWASHED — Traffic crawling along a street in Medford, Oregon, as snow fell over the weekend in the southern part of the state.

ships form a ghostly, giant artificial reef in Mallows Bay, harboring snowy egrets, sturgeon, Canada geese, whistling swans, ospreys and bald eagles.

Short Takes

Three years ago, a school board in Salt Lake City, Utah, banned extracurricular clubs as a way to rid the schools of a gay students group, the Gay-Straight Alliance. Now, The Associated Press reports, the alliance is thriving but students and teachers say school spirit and socialization have been badly damaged.

The school board approved a ban on clubs not linked to academic studies after being advised that federal law prohibits schools from discriminating against clubs on the basis of unpopular ideas they espouse. But the Gay-Straight Alliance, backed by a national gay group, declared itself a community group and now rents a classroom in East High School for weekly meetings. Other clubs lapsed for want of money for rent and insurance premiums.

"It has been a disaster," said Scott Nelson, a social studies teacher at East

High. Seniors are particularly upset, knowing that colleges put great stock on applicants' extracurricular activities. An effort by one school board member to reconsider the ban was voted down.

A letter to the advice columnist Ann Landers urged Christmas-card writers to keep their happiness to themselves — especially the snug variety. "Spare us the details of the Ivy League schools your children are attending and the honors and awards they have received," the letter said. "Just let us know in a handwritten note that your family is well."

That struck a Dallas resident, Pam Johnson, as odd. Shouldn't happiness be shared? So she founded a covert group — the Secret Society of Happy People. Its raison d'être, she says, is that "happy moments are good things that need to be shared."

Aware of the subversive nature of the message, her group keeps a low profile. Most recruiting is done via an Internet site: www.sohp.com.

Brian Knowlton

Away From Politics

With prices of some generic drugs soaring to record levels this year, the federal government is preparing to accuse one of the world's largest producers, Myland Laboratories Inc., of tripling its prices after trying to corner the market for the drugs' raw materials, lawyers involved in the anti-competition case said in Washington. (NYT)

The Justice Department is investigating whether the CIA may have obstructed justice by giving Hughes Electronics Corp. information about a congressional inquiry into the company's alleged transfer of sensitive U.S. space technology to China, government officials said in Washington. (NYT)

A Nigerian woman seven and a half months pregnant went into labor on a flight from Ghana to New York on Saturday, but pilots radioed ahead, and two Port Authority police officers rushed on board when the plane landed at Kennedy International Airport and helped deliver a healthy baby girl in coach class. (NYT)

A father accused of injecting his 11-month-old son with HIV-tainted blood to avoid paying child support was convicted of first-degree assault in St. Charles, Missouri. The boy, now 7, has AIDS. Jurors recommended life in prison for Brian Stewart, 32, who was a hospital technician. (AP)

A Yale University student was found stabbed to death Friday night a mile and a half (2.4 kilometers) from the Yale campus in New Haven, Connecticut. The mayor's office told The Associated Press there were indications that the death of the student, a 21-year-old political science major from Germany, had not been a "random event." (NYT)

A teenager was found guilty of first-degree manslaughter in New York in the grisly slaying of a 44-year-old Upper East Side man who was stabbed 34 times, eviscerated and left floating in a lake in Central Park in May 1997. Christopher Vasquez was acquitted of the more serious charge of second-degree murder and faces a sentence of three and one-third to 10 years in prison. (NYT)

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ASIA/PACIFIC

Voters in Taiwan Reject Pro-Independence Party

By John Pomfret
Washington Post Service

TAIPEI — Picking stability and stewardship over ideals and ethnicity, Taiwan's voters have handed a reformed Nationalist Party a crucial victory over the opposition Democratic Progressive Party in mayoral and legislative elections throughout this island of 21 million people.

The election Saturday marked a major success for the Nationalist Party's policy of limited engagement with China and a rejection of the Democratic Progressive Party's platform of independence from the mainland Communist giant. It also rewarded the Nationalists for economic policies that have generally insulated Taiwan from the Asian financial crisis.

Taiwan's voters propelled the Nationalist candidate, Ma Ying-jeou, a Harvard-educated lawyer, to victory in the race for mayor of Taipei over Chen Shui-bian, the incumbent and a leader of the opposition.

The voters handed the Nationalist Party a clear majority in the legislature as well and gave its candidates a solid 46.39 percent of the total vote, compared with the Democratic Progressives' 29.55 percent.

The results will be welcomed in Beijing, where China's government is known to have watched with concern the rise of the Democratic Progressives. China has said it will attack Taiwan if the island declares independence. The outcome also will be appreciated in Washington, where some U.S. officials have expressed fears that a strong opposition, showing how complicated Washington's delicate balancing act between Taipei, which buys American weapons, and Beijing, which strenuously opposes those sales.

"This is a victory for the middle class," one radio station announced as thousands of families flooded the streets of the capital Saturday night, turning the boulevards of this sprawling metropolis into a pageant of fireworks, foghorns, fluttering banners and flags.

"We voted this way to avoid confrontation with the Communists," said Yu Ting-wan, 38, an electrical engineer who came to a victory rally with his 3-year-old son on his shoulders and his wife by his side. "I love Taiwan, and I think the Nationalists are the ones to protect it."

[Mr. Ma, signaling that the outcome also signified the end of an ethnic rift that has marked Taiwan's politics over the past five decades, said Sunday that his victory was "an important symbol and a new milestone of ethnic inte-

gration," Reuters reported.

"I hope all ethnic issues will become a part of history and will not continue to haunt the people of Taipei," Mr. Ma said.

Nationwide, about 80 percent of Taiwan's registered voters cast ballots, a clear sign that Taiwan is relishing its new role of one of Asia's most vibrant democracies.

The hard-fought and relatively clean campaign was Taiwan's ninth major election since the Nationalist government ended 37 years of martial law and legalized a multiparty system in 1986. It underscores several important developments on this island, which occupies a strategic position in the South China Sea 100 miles (160 kilometers) off the coast of China.

First, analysts said, the Nationalist victory is not a vote for reunification with China. Another opposition group, the New Party, founded three years ago on a platform calling for unification with China, was soundly rejected in the election, garnering less than 7 percent of the vote.

Rather, the election showed the depth of public support for the Nationalist's new policy of firmness with China. The Nationalists in recent meetings with the Chinese Communists have said they will unite with China only if it democratizes and treats Taiwan as an equal in the negotiations — two very difficult conditions for Beijing.

The vote also was a rejection of the sometimes impulsive, ethnically divisive and confrontational stance adopted by the Democratic Progressive Party.

That was most clearly seen in the race between Mr. Ma and Mr. Chen for mayor of Taipei, where an average family of four makes about \$40,000 a year and, polls show, opposes unification with China, where \$10,000 a year is a fortune.

A longtime leader of the Democratic Progressive Party, Mr. Chen was elected Taipei's mayor in 1994 and has worked since then to untie Taipei's infamous traffic snarls and build a subway. Going into the race, he had an approval rating of 70 percent.

But in his campaign, Mr. Chen made a clear distinction between people like himself, who were born in Taiwan and comprise more than 80 percent of Taiwan's population, and "outsiders" such as Mr. Ma, who was born in Hong Kong of parents who fled China's Communist revolution in 1949.

"Vote for the Taiwanese, not for the Chinese," Mr. Chen said at several rallies — a cry that alienated the many Taiwan voters who see themselves as both.



Cheung Tze-keung, a gangster known as "Big Spender," in court in China before his execution Saturday.

Khmer Rouge Finished, Cambodia Says

Hundreds of Guerrillas Surrender, but 3 Hunted Leaders Remain Free

By Seth Mydans
New York Times Service

BANGKOK — In a modest televised ceremony, several hundred Khmer Rouge guerrillas surrendered to the Cambodian government over the weekend in what was presented as an end to the armed Communist movement that tore Cambodia apart for decades.

But the last three top leaders at large — targets of a possible international tribunal for crimes against humanity — did not participate in the surrender. They are known to have moved back and forth across the border with Thailand for years, and their whereabouts are unknown.

It was not clear how many fighters were involved in the capitulation Saturday. The Cambodian general who accepted their surrender, Meas Sophea, said about 500 fighters would be integrated into the government army. Another official said only that there had been fewer than 1,000.

It did not appear that this final small group of rebel soldiers to surrender would receive the special deal offered to earlier, more powerful such groups, which have been allowed to keep their territory, political structure and military forces.

But the surrender would allow the return to Cambodia of some 20,000 civilians who had been living under Khmer Rouge control along Cambodia's northern border. Most of them are now refugees in Thailand.

"It's the end of the Khmer Rouge," General Meas Sophea said.

In fact, the Khmer Rouge has been ending its stages since mid-1996, when much of its Western command joined the government, followed by other groups of defectors.

Split in the top leadership in early 1997 further weakened the movement. Its founder, Pol Pot, was tried by his comrades and sentenced to a life term of house arrest in the northern jungles. He died in April.

It was then only a matter of time before the surrender of the last holdouts in a brutal 30-year revolutionary movement that caused the deaths of more than 1 million people when it ruled Cambodia from 1975 to 1979.

Analysts of the Khmer Rouge said it was possible that some guerrillas remained at large, essentially as roving bandits, and that some aides may have stayed with the three top leaders. The three are Ta Mok, the Khmer Rouge military leader; Khieu Samphan, its political chief; and Nuon Chea, a top ideologue.

"We can't find them in Cambodia territory," General Meas Sophea said. "They must be somewhere along the border." He previously said the leaders had crossed into Thailand.

Last month, a three-member team of international lawyers visited Cambodia to assess evidence against Khmer Rouge leaders for a possible trial. They are to present their findings to the United Nations in January.

Any trial would probably target only a small number of top figures, perhaps 15 or 20. Political and diplomatic barriers to a trial must yet be crossed, and there is also the problem of capturing the suspects.

Apart from the three leaders who remain at large, other leading figures are living in relatively autonomous defector zones where it may be impossible to seize them. These potentially include Ieng Sary, a close aide and brother-in-law of Pol Pot, who led the first defections and is now based in the defector zone of Pailin, though he spends much of his time in Thailand.

The surrender Saturday was led by Khem Nuon, chief of staff for the three fugitive leaders.

"We ask for permission from the royal government of Cambodia to rejoin society and the Royal Cambodian Armed Forces," he said during the videotaped ceremony.

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Last month, a three-member team of international lawyers visited Cambodia to assess evidence against Khmer Rouge leaders for a possible trial. They are to present their findings to the United Nations in January.

Any trial would probably target only a small number of top figures, perhaps 15 or 20. Political and diplomatic barriers to a trial must yet be crossed, and there is also the problem of capturing the suspects.

Apart from the three leaders who remain at large, other leading figures are living in relatively autonomous defector zones where it may be impossible to seize them. These potentially include Ieng Sary, a close aide and brother-in-law of Pol Pot, who led the first defections and is now based in the defector zone of Pailin, though he spends much of his time in Thailand.

The surrender Saturday was led by Khem Nuon, chief of staff for the three fugitive leaders.

Executions In China Worry Hong Kong

By Keith B. Richburg
Washington Post Service

HONG KONG — The Chinese authorities in Guangzhou executed the most notorious gangster in Hong Kong over the weekend, ending a long and sensational criminal career and intensifying a debate over whether Beijing's swift brand of justice should be applied to residents of Hong Kong, who have broader legal protections when tried at home.

The execution Saturday came immediately after the People's High Court rejected an appeal from the gangster known as "Big Spender," whose real name is Cheung Tze-keung, 43. He was convicted last month, with 35 other members of his gang, of cross-border crimes that included gun-running, dynamite smuggling between mainland China and Hong Kong, robbing gold stores and the spectacular kidnappings of two real-estate tycoons in Hong Kong, whose families paid apparently a world record for ransom, \$210 million.

Four of Mr. Cheung's lieutenants were also executed Saturday. Two others sentenced to death won a two-year stay of execution, and 29 others received lengthy prison terms.

The "Big Spender" case has prompted heated debate here, with pro-democracy politicians and lawyers saying it set a dangerous precedent to try a Hong Kong criminal suspect elsewhere in China, where defendants are afforded few legal protections and where executions are common, and swift, for serious crimes.

When Mr. Cheung and his henchmen were arrested in Guangdong Province, the authorities in Hong Kong made no attempt to have them brought back to stand trial here. A British-style judicial system remains intact from Hong Kong's colonial days despite its reversion last year to China, where it is now a special administrative region. After Mr. Cheung was executed, a spokesman for the government of Hong Kong said in a statement, "We respect the independence of the judicial system of other jurisdictions."

Legal officials in Hong Kong also said there was no formal procedure for transferring residents arrested in China back here for trial. The legislature has pressed the government to formulate a "bilateral surrender of fugitives" agreement with China, to allow Hong Kong residents to be tried in the rest of China only if there is a guarantee they will not face the death penalty.

BRIEFLY

Sri Lanka Officials Shelled

ODDUSUDDAN, Sri Lanka — The deputy defense minister and the three armed services chiefs of Sri Lanka narrowly missed being killed when Tamil Tiger rebels fired mortars at them Sunday, military officials said.

The officials said four soldiers were killed and 42 wounded, six of them seriously, when the rebels fired at a convoy carrying Deputy Defense Minister Anuraudha Ratwatte after a visit to the newly captured town of Oddusuddan.

"Four shells landed in front of our vehicle," Mr. Ratwatte told reporters at Nenduneri, a town south of Oddusuddan. He and the armed services chiefs escaped unhurt, but four bodyguards of the minister were among the wounded.

Indonesian Urges Nonviolence

JAKARTA — One of the most popular Indonesian opposition leaders urged thousands of cheering supporters Sunday to push for political reform peacefully.

"We must continue our struggle without violence," pleaded Megawati Sukarnoputri, leader of a breakaway faction of the Indonesian Democratic Party.

Ms. Megawati, daughter of Indonesia's founding president, Sukarno, is the latest political figure to appeal for an end to the violence that has rocked the world's fourth most populous nation for much of this year.

India Marks Mosque Demolition

AYODHYA, India — India deployed thousands of troops and detained 2,000 people across the country Sunday as the nation observed the sixth anniversary of the demolition of a mosque that has caused deep religious and political divisions.

Prime Minister Atal Bihari Vajpayee, whose Bharatiya Janata Party won power on a campaign to build a Hindu temple where the mosque was, called for a peaceful solution to the dispute.

The 16th-century Babri Masjid Mosque at Ayodhya in the northern Uttar Pradesh state was razed by Hindu zealots Dec. 6, 1992. The demolition sparked Hindu-Muslim riots in which more than 3,000 people died.

KOREA: '94 Pact Unraveling

Continued from Page 1

Korean Army said last week.

Senior Clinton administration officials say that the North Koreans will be told in negotiations this month that the agreement will unravel unless North Korea allows a team of dozens of U.S. inspectors complete access to the underground installation that is being built 40 kilometers (25 miles) from the North Korean nuclear complex at Yongbyon. Aerial photographs show thousands of North Korean laborers working at the site.

The North Koreans insist that the project is intended for civilian use. But a senior State Department official said last week that U.S. intelligence information offers "very convincing" evidence that the mountainous facility will be used by North Korea to re-create its nuclear program.

American officials say they are also alarmed by intelligence evidence suggesting that North Korea is making preparations to test-fire a medium-range ballistic missile over Japan; a similar launch last August caused a near-panic in Japan.

"The North Koreans are playing with fire," said Robert Gallucci, the former State Department official who negotiated the 1994 agreement and who is now dean of the School of Foreign Service at Georgetown University.

"The North Koreans are quite consciously engaging in brinkmanship. They are putting the framework at risk."

Donald Gregg, U.S. ambassador to South Korea during the Bush administration and now president of the Korea Society in New York, said that U.S. policy toward North Korea was in "disarray" and that there was little time left to salvage the 1994 agreement.

Mr. Gregg said that the North Koreans may be justified in their frustration with the United States, especially over the continuation of U.S. economic sanctions that were imposed on the North during the Korean War.

"The Agreed Framework said we would lift sanctions as soon as feasible, and we haven't," he said. "We have not lived up to all that we said we would do."

"And if we don't get our act together in the next three or four months, Congress is going to take apart the Agreed Framework and that will remove any inhibition the

North Koreans have from going full bore to develop a nuclear capability," he said.

The administration announced in October that former Defense Secretary William Perry, now in private business in California, would oversee a complete review of U.S. policy on North Korea.

[Mr. Perry arrived in Seoul Sunday to discuss North Korean policy issues, Reuters reported. He will meet with top South Korean officials, including President Kim Dae Jung, during a three-day stay to solicit views on Washington's stance toward the North, a U.S. Embassy statement said.]

Senior Republican lawmakers have threatened to cut off the tens of millions of dollars required to carry out the 1994 agreement, citing provocative acts by the secretive Communist government in North Korea, including the construction of the underground site and the missile launching last August. They have refused to consider lifting sanctions.

"I don't think there is any reason to trust them," said Senator Craig Thomas, Republican of Wyoming, who is chairman of the Senate Foreign Relations subcommittee on East Asian and Pacific Affairs. "You have a government that is more like a cult, and that is obviously going downhill economically."

In drafting the mammoth government spending bill in October, the Republicans reluctantly agreed to provide \$35 million requested by the administration to pay for deliveries of heavy fuel oil to North Korea, as required under the 1994 accord. But they placed tough conditions on disbursement of the money.

Under the bill, most of the money cannot be paid out unless the administration certifies in writing that it has obtained a satisfactory explanation about the purpose of the underground site, that North Korea has shut down its nuclear weapons program, and that it has stopped selling ballistic missile technology to nations that support terrorist organizations, such as Iran.

Administration officials say that it will be nearly impossible to meet those conditions and that President Bill Clinton will probably have to invoke national security in paying for the fuel oil — a move permitted under the legislation but one that would further erode support in Congress for the 1994 agreement.

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EUROPE

U.S., France and Britain: Tangle of Friendship and Suspicion

By Craig R. Whitney
New York Times Service

PARIS — With allies like France, does the United States really need enemies? Put another way, with allies like Britain, who needs France?

More often than they like to admit, exasperated U.S. policymakers have asked themselves questions like these over the years.

But as Secretary of State Madeleine Albright heads for Brussels and Paris this week for meetings with allied foreign ministers and a ceremony marking the 50th anniversary of the Universal Declaration on Human Rights, she might reflect that U.S. disagreements with Britain over the past half century have sometimes been as rancorous as those with the French.

The United States and Britain clashed over a French-British attempt to grab the Suez Canal in 1956 and did not see

eye to eye about what should be done to stop the fighting in Bosnia until 1995.

But ever since two soul mates named Churchill and Roosevelt commiserated about their dealings with an individual named de Gaulle, the strong underlying assumption of trust that exists between Washington and London has simply not been there to the same degree.

NEWS ANALYSIS

Americans tend to think the world of the British and the worst of the French. Even when France and the United States are in basic agreement, as they are at the moment on Iraq, there is always somebody, like Senator John McCain, Republican of Arizona, to throw a monkey wrench into the works.

Mr. McCain, whom the French consider no friend, appeared to suggest on an American television news show that the reason Saddam Hussein had been

able to avoid British-American bombing last month might have been that France had tipped him off that the bombers were on the way.

Never mind that the United States itself had warned Iraq repeatedly that it faced imminent bombing if it did not back down and comply with United Nations resolutions on arms inspection. Mr. McCain denied accusing the French, and officials in Britain later confirmed that nobody had given the exact timetable to them anyway.

Even when Britain and the United States are in basic disagreement, as they were during much of the war in Bosnia until 1995, American Anglophobia tends to rewrite history. This left the impression that it was actually the French who did not want the United States to start bombing in Bosnia to stop Serbian aggression.

France did indeed have to overcome sympathies for Serbia that date from

World War I, but as recently published memoirs by a British commanding general of the UN peacekeepers in Bosnia, Sir Michael Rose, confirm, London was strongly opposed to heavy NATO bombing raids that the Americans kept wanting to launch against the Bosnian Serbs.

The impasse was not broken until President Jacques Chirac came to power in France in 1995 and, after the Serbs overran the UN "safe area" in Srebrenica and massacred Muslim civilians, mobilized British and U.S. support for a policy with more military muscle.

The North Atlantic Treaty Organization did go ahead with a bombing campaign and the Serbs, after suffering other setbacks on the ground, agreed to a cease-fire and a beefed-up NATO-led peacekeeping operation that finally put U.S. troops, along with others, on the ground alongside the French and British.

Prime Minister Tony Blair's Labour

government has begun moving closer to French ideas for making Europe capable of an autonomous defense within NATO, but it has also made privileged British relations with the United States a declared strategic objective.

That is much too abject a policy for France, French officials say. After all, Louis XVI gave the Marquis de Lafayette 6,000 troops to help George Washington in 1777 not because the king shared Lafayette's enthusiasm for the revolutionaries but to make trouble for the British, who were his enemy.

Ever since, French-U.S. relations have been like a long-running marriage, frequently warmed by friction.

De Gaulle restored pride to a nation humiliated by defeat in World War II, often at U.S. expense. "The French need to take pride in France," de Gaulle explained to his acolyte Alain Peyrefitte in 1962. "Otherwise, they fall into mediocrity, fight with each other and head for the bistro."

Henry Kissinger understood. "De Gaulle was not anti-American in principle," he wrote in his book "Diplomacy" (Touchstone/Simon & Schuster). "He was willing to cooperate whenever, in his view, French and American interests genuinely converged. Thus, during the Cuban missile crisis, American officials were astonished by de Gaulle's all-out support — the most unconditional backing extended to them by any allied leader."

De Gaulle dominated Europe, but he did not want anyone else to — not the Soviet Union, certainly, but not the United States, either.

Even today, French leaders tend to see the United States in Steinbeckian terms, as a strong, friendly but unsophisticated giant whose full embrace might be fatal.

So, when the United States says that it really does want a united, prosperous Europe and that it does not feel threatened by plans for the euro, the new common European currency that will be used starting next month, the French either do not believe it or suspect that what the United States must really want is a Europe led by Britain.

The French foreign minister, Hubert Vedrine, also worries about a world in which there is only one superpower — the United States — overwhelming all other countries with its military, economic, technological and cultural strength. "Their weight carries them towards hegemonism, and the idea they have of their mission is unilateralism," he told the daily Liberation recently. "And that is not acceptable."

French diplomats tell their U.S. friends that frank advice, not sycophantism, is the mark of true friendship. By that measure, France is indeed the most stalwart of allies.

BRIEFLY

Kurd Leader Seeks International Trial

FRANKFURT — The Kurdish rebel leader Abdullah Ocalan told a German news program Sunday that he wants to stand trial on terror and murder charges before an international court.

Such a court could determine "if we or the Turkish government are responsible for the war against each other, in which many thousands people have died on both sides," he said in an interview with the television station ZDF.

Mr. Ocalan, the leader of the outlawed Kurdistan Workers Party, was arrested Nov. 15 in Rome, where he remains under police guard as Italy weighs his request for asylum and European leaders work toward setting up an international court. (AP)

Turkish Cypriots Elect Legislators

NICOSIA — Turkish Cypriots began voting Sunday for a new Parliament for their breakaway state.

About 120,000 voters will elect 50 legislators in the Turkish Republic of Northern Cyprus, which was declared in 1983 but is recognized only by Ankara. Legislative elections are held every five years. (AFP)

Support for Chirac

PARIS — President Jacques Chirac, back on the offensive after keeping a low profile for a year and a half, has struck the right note in calling for limits on strikes and for reforms in French politics, an opinion poll showed Sunday.

A resounding 82 percent of those polled applauded the conservative leader's call for minimum services to be assured on the frequently strike-hit state railways, the Journal du Dimanche weekly reported. (Reuters)

For the Record

The Dalai Lama has accepted an invitation from President Jacques Chirac to come to a French luncheon commemorating the Universal Declaration of Human Rights, the Tibetan spiritual leader's office said Sunday. (AP)

Porous Accord on Arms

Russia and Bulgaria Feed Fires in Trouble Spots

By Raymond Bonner
New York Times Service

VIENNA — The United States and 32 other countries have concluded four days of arms control meetings here with a public commitment to exercise "maximum restraint" before selling weapons in regions of conflict.

Behind closed doors, the delegates to the so-called Wassenaar Arrangement, an arms control organization that came into being after the Cold War, made clear that the areas they were most concerned about were Central Africa, where a half dozen countries are fighting in Congo and the Horn of Africa, where Ethiopia and Eritrea are on the brink of full-scale war.

Russia is delivering the first contingent of \$150 million worth of combat aircraft, helicopters and other military equipment to Ethiopia. And Bulgaria said that it had recently issued licenses for the sale of tanks to Ethiopia and Uganda.

"That's not consistent with any commitment to maximum vigilance," said a Western diplomat about the Russian sale, which was not known publicly until a few hours after the Wassenaar meeting closed here Thursday.

Neither sale violates the Wassenaar regime, or any other arms control treaties, which encourages advocates of greater curbs on the conventional weapons trade to campaign for new

treaties that would keep weapons out of regional trouble spots. But Washington's efforts to put a few more teeth into Wassenaar have been thwarted by such countries as Russia and France, U.S. and European diplomats say.

The Bulgarian tank sales were reported last month by a Bulgarian newspaper, Trud, which said that 140 tanks had been sold to Ethiopia.

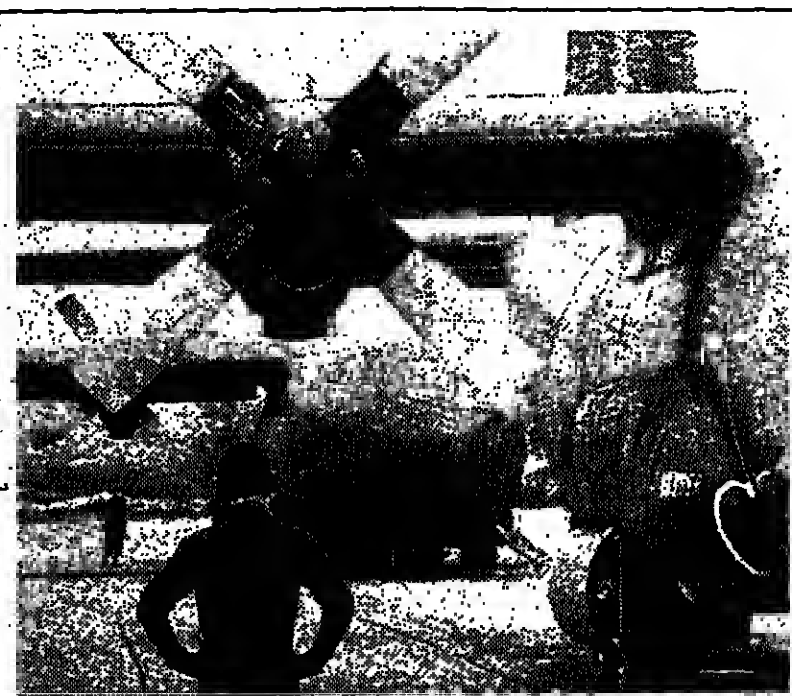
The newspaper reported that another deal, for 80 tanks, was pending, and these were going to Ethiopia and Uganda. Bulgaria acquired the T-55 tanks cheaply from Moscow during the Cold War.

In response to written questions, the Bulgarian Ministry for Trade confirmed Thursday that licenses had been issued for tank sales to these countries, but it declined to discuss the details.

Uganda is not in the market for used tanks, U.S. officials in Africa say, but it had been giving support to the rebels in Congo, and has been the provider of weapons to rebels in southern Sudan, who have surprised observers with the number of tanks they have managed to come up with in recent months.

In recent years, Bulgaria, which has seen its Soviet-era defense industries plunged into economic misery, has become a prime arms bazaar, supplying rebel groups, from the Tamil Tigers in Sri Lanka to rebels in Congo.

The Ethiopian deal earned the Bulgarian government \$4.4 million in



FRENCH SHIELD — Planes carrying French equipment and troops after they landed Sunday in Skopje, Macedonia. NATO is setting up a force to protect observers of the cease-fire in neighboring Kosovo.

profit, Trud reported. An obviously pleased senior defense official told Trud that it was the best commercial year for the ministry since it sold tanks to Yemen in 1994.

During the Wassenaar meetings here, Bulgarian diplomats were chagrined that their defense officials were gloating so openly about the deal, other diplomats who attended the meetings said.

The United States has largely ignored Bulgaria's arms dealings, but U.S. officials say that is about to change.

There are 33 members of the Wassenaar Arrangement, which is named for the Dutch city where agreement was first reached in 1995 to exchange information on sales, if only after the fact. The organization has been largely ineffective at stopping any transfers of conventional weapons.

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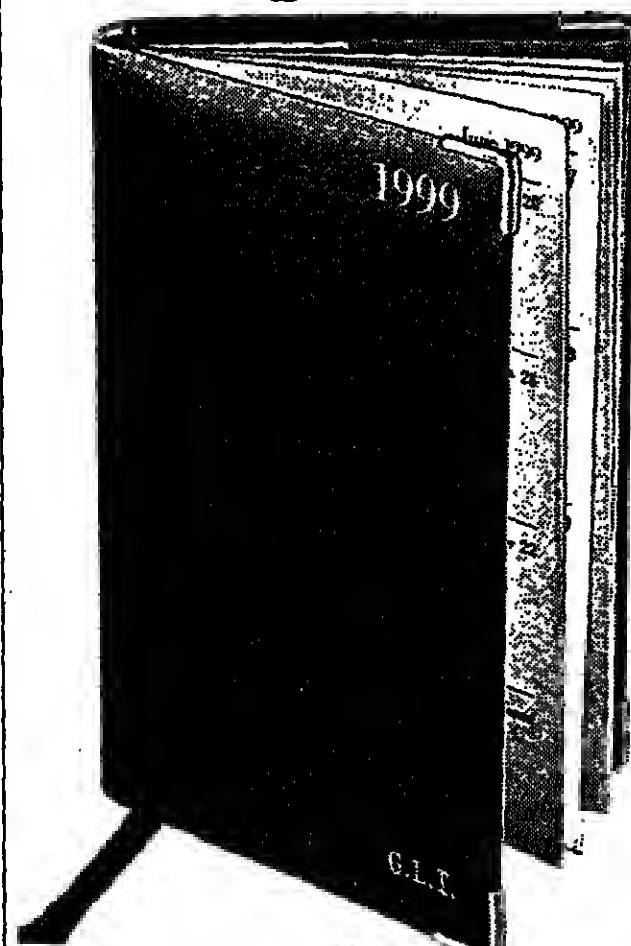
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INTERNATIONAL

Germany Debates 'Denglisch'

English Expressions Ubiquitous in Advertising

By Roger Cohen
New York Times Service

BERLIN — The fight to be the leading newspaper of the city with ambitions to be Europe's equivalent of the Berliner Morgenpost sat down recently to dream up a new advertising slogan, they thought long and hard. What they came up with was: "Simply the Best."

Not "Einfach besser," German for the same idea, but "Simply the Best," as in the popular song by Tina Turner. "Our target group was young people," said Rolf Buer, the paper's marketing manager, "and this slogan was young, fresh, simple and sure to get people talking. German words are just too long."

That may seem an unjust accusation to level at "Einfach besser," but it is true that precision is a hallmark of the German vocabulary, brevity is not. In any event, the issue is clearly a broader one, for the English encroachment on Deutsch has assumed epic proportions, giving rise to a form of speech widely known as "Denglisch."

Consider this city, whose passion for reinventing itself is very much of the New World. As you drive past posters advertising Volkswagen's "New Beetle" (not "Der neue Käfer"), you may hear a radio advertisement for an Audi that gives you "die power," only to see a newspaper headline about Germany's lack of "jobs" (forget "arbeits"), as the radio turns to a discussion of Berliners' growing attraction for "the American way of life."

English, of course, is advancing everywhere, propelled by the Internet and the dominance of American popular culture. It is the most widely studied foreign language in German schools, where most children start learning it at age 11. Its advance appears particularly marked here, strong enough to set off a debate on what it is to be a German.

Language, of course, is a paramount expression of identity, and German identity has been a delicate

issue ever since Hitler perverted the notion with disastrous consequences for those he considered un-German. Not for nothing have many Germans embraced the idea of being "Europeans" or "cosmopolitans" or "citizens of the world."

And, of course, the language of such world citizens is English.

"I don't like to think in terms of national borders," said Ulrich Veigel, head of the Bates advertising agency in Germany. "I live in Germany and was born here, but I'm a citizen of the world, and that is the way we should all think. In the medium-term, nationalities have no chance."

English, Mr. Veigel continued, is a wonderful language precisely because it is the most cosmopolitan. "I look forward to the day," he said, "when I go to France and do not have to speak French."

I look forward to the day when I go to France and do not have to speak French.

Until that day, Mr. Veigel will be pushing his message in Germany, where the Bates agency is responsible for the current campaign of the cargo division of the national airline, Lufthansa. Slogan: "Thinking in new directions."

It is also promoting a new German telephone company called First Telecom with the jingle "You can't beat the First."

Such catchwords clearly reflect a perception that Germans see English as more contemporary or modish.

For some Germans, though, the abandonment of the language of Heine and Rilke is too high a price to be paid. Wolfgang Kramer, a professor of economics at the University of Darmstadt, said Denglisch is a monstrosity, "a cowardly means for many Germans to disentangle themselves from German history, a way out of being German."

Two years ago, he read a profile of Jil Sander, the Hamburg-based fashion designer, in the magazine of the daily newspaper Frankfurter Allgemeine Zeitung. In a single paragraph, Ms. Sander explained how her life was "giving story," talked of the need to be "contemporary," extolled the virtues of "coordinated concepts," referred to her "audience" and ruminated on the "effortless magic" of her styles.



WAITING GAME — A protester dressed as Augusto Pinochet "hitchhiking" in Wentworth, where the former Chilean dictator is awaiting a decision on whether London will extradite him to Spain for trial on charges of genocide and torture.

That was too much for the professor. He founded the Society for the Protection of the German Language, instituted an annual linguistic booby prize for the Sprachpatscher (language diluter) of the year and gave the 1997 accolade to Ms. Sander.

This year, his society has seen its membership soar from 200 to 4,000 and last month, Mr. Kramer announced that the 1998 award for "spineless conformity to modern pseudo-cosmopolitan attempts at showing off" had been awarded to Ron Sommer, chief executive of Deutsche Telekom, the main telephone company.

Mr. Sommer had distinguished himself by advertising "moonshine" and "sunshine" tariffs and by listing calls on bills under the categories of "Citycall," "Germancall" and "Globalcall."

Until July, the German translations only appeared on the back of the bills. They have now been moved to the same line after what Hans Ehnert, a spokesman for Deutsche Telekom, called "some inquiries."

"Our chief executive pays no attention to this so-called prize," Mr. Ehnert said. "We are a global player in a modern, high-tech world, and

English expressions are part of this future environment."

But the success of Mr. Kramer's association suggests a reaction may be gathering pace. "Shame explains why English does so much better here than in France, or Spain or Italy," he said. "But I refuse to let the history of our country be condensed into the 12 years of Hitler's terror. I was born much later and have no reason to be ashamed."

This message is also that of the new government of the Social Democrat Gerhard Schröder, which devoted much of a recent summit meeting with French leaders to the issue of defending "Franco-German culture" against the cultural pull of America through the establishment of a new French-German university in Saarbrücken, Germany, and other measures.

But, of course, France and Germany have a basic problem: The unfettered, dynamic, creative culture of California is more attractive to many young people than European societies often identified with high unemployment and rigidity.

"The young want to hear English," said Mr. Buer of the Berliner Morgenpost. "It's seen as free and flexible."

7 More Algerians Slashed to Death

The Associated Press

ALGIERS — Muslim militants slashed the throats of more people in a mountain town overnight, authorities said Sunday as Algeria's prime minister insisted the insurgency was under control.

The victims were killed "with savagery" Saturday night in the town of Merad, near Tipaza, 100 kilometers (60 miles) west of the capital, a government statement said.

Hospital officials said the militants slashed seven people to death and shot and wounded five people who tried to flee.

The latest violence brought to 52 the number killed in a new wave of attacks in Algeria by militants that began last Wednesday. More than 75,000 people have died in nearly seven years of insurgency.

The violence came shortly before a state-of-the-nation speech Sunday afternoon by Prime Minister Ahmed Ouyahia. In his two-hour televised talk before the Parliament, Mr. Ouyahia said the country's security situation "is constantly improving." He has repeatedly drawn derision for having insisted that the insurgency had been reduced to only "residual terrorism."

But Mr. Ouyahia also told the lawmakers of the need for "vigilance and mobilization."

The prime minister did not mention his expected departure from office before an early presidential election scheduled for April. An official source, speaking on condition of anonymity, said he was likely to announce his resignation Thursday.

Mr. Ouyahia is seen as a potential candidate for the election that President Liamine Zeroual announced Sept. 11. Mr. Zeroual is not running. Mr. Ouyahia pledged government help for terror victims and for families demanding information on persons arrested by security forces.

On the economic front, Mr. Ouyahia said that through an austerity plan, the government cut inflation to 5 percent this year from 29.7 percent in 1995. Mr. Ouyahia defended "the necessity to liberalize the country's economy" and to do away with "the aid-dependent mentality."

He said his government had refused an offer by the International Monetary Fund to again reschedule the country's foreign debt.

Letting the Boom Slip Away

Armenians Choose Enclave Over an Energy Bonanza

By Stephen Kinzer
New York Times Service

YEREVAN, Armenia — Across the Caucasus and Central Asia, the most excited debates these days are about the Caspian energy boom. Everyone wants to know who's up and who's down, which wells have come up dry, which are gushers and, most of all, where the oil and gas pipelines will be laid.

Armenia is the exception. Ethnic politics has turned this into the only country in the region that will probably not share in the energy bonanza.

Oil executives are expected to decide soon where to lay their vital pipeline from oil-rich Azerbaijan. The most direct route to the Mediterranean would run across Armenia. But politics makes that route impossible. Azerbaijan will not cooperate with Armenia until the two countries settle their dispute over the enclave of Nagorno-Karabakh. The world accepts the enclave as part of Azerbaijan, but it has been held by its ethnic Armenian residents since 1994, after a war that cost 35,000 lives and forced hundreds of thousands from their homes.

President Heydar Aliyev of Azerbaijan has offered to support construction of a "peace pipeline" across Armenia as part of a settlement. But Armenians feel a deeply visceral connection to their cousins in Nagorno-Karabakh, and few would agree to trade the enclave for a pipeline, even one that promised

them decades of prosperity. "This is not on the table," Prime Minister Armen Dzhirinyan said. "Karabakh, its freedom and the right to live on your own land is not for trade."

Although both sides in the dispute say they are ready to talk, a wide gulf divides them.

"If Armenia would make peace with Azerbaijan, then of course the export line would run through Armenia instead of Georgia," said Nicholas Gvazava, a senior executive of state-owned Georgia International Oil Corp. "But we would still consider it a positive development, because settling this conflict would dramatically improve the development prospects of the entire region."

Most Armenians support their government's refusal to compromise over Nagorno-Karabakh. A few, though, wonder what it will mean to be excluded from the pipeline network. Mark Grgorian, a journalist and human-rights advocate in Yerevan, the capital, said: "If you don't get anything, you're losing. Highways and railroads go together with pipelines. If our failure to get a pipeline means that we are excluded from plans to rebuild the old Silk Road trading routes, it means forget about this country. We will be a far distant province."

President Robert Kocharyan of Armenia, however, scoffed at the suggestion that failure to join the oil boom would consign his country to poverty. Armenia will develop by using its human potential to compensate for its lack of natural resources, he said.

NATO: U.S. Is Urging Allies to Refocus Alliance

Continued from Page 1

might mean NATO using force to take out weapons of facilities in Iraq," said a senior American official. "But we're not talking about that, but lower-key things, like heightening awareness and how NATO operates if there is an attack."

The alliance's current "strategic concept," which defines its military and political mission, was last revised in 1991, before the Soviet Union finally collapsed, and still talks of "strategic balance in Europe."

All NATO's 16 members — soon to be 19 with the addition of Poland, Hungary and the Czech Republic — agree the concept needs updating. And President Bill Clinton wants to unveil the new doctrine, together with a simpler statement of NATO's purpose designed for voters instead of generals, at the April summit meeting he will host.

"We're not in the game of strategic balance anymore, but of collective defense and the extension of security beyond our borders," said a senior NATO-country diplomat.

That means NATO's enlargement to the east, its partnerships with nonmembers, in the Partnership for Peace or the relationship with Russia, and operations like Bosnia and Kosovo, the diplomat said. But it does not mean NATO ramping into the Middle East in pursuit of biological weapons that might someday be used, he said, as the French originally feared.

Early American ideas that NATO might globalize itself have faded, the diplomat said. "We're talking of retaining NATO as an effective European instrument."

American officials argue that NATO is an alliance based on consensus in any event. "If member countries don't want NATO to do something, then NATO won't do it," an official said.

Even senior French diplomats say they no longer believe that Washington is pushing the American-dominated NATO to be the instrument of "a new Holy Roman Empire," as one put it.

The current French concern is the so-called "mandate question," to try to ensure that NATO does not define itself in the new strategic concept as able to act without reference to the United Nations Security Council, where five countries hold a veto, including France.

While the alliance agreed to threaten to bomb Serbian positions to halt the violence in Kosovo, it did so without a Security Council resolution. The legal basis in international law was "humanitarian intervention" to prevent the deaths of thousands of ethnic Albanians.

But while the U.S. envoy Richard Holbrooke called Kosovo a precedent, German and French officials say it was merely a special case. And the Americans for now are happy to agree and take the pragmatic, case-by-case approach, without theology.

Washington is eager that the mandate debate not limit NATO's flexibility and render any military action subject to a Chinese or Russian veto in the Security Council. That would not only be self-defeating, an official said, but would "drive Congress around the bend." But most European countries, as well as Canada, prefer NATO to act, when not specifically

in self-defense, under a Security Council resolution.

Between now and April, officials say, there will be some language agreed upon that could refer simply to NATO acting on "a firm legal basis," or, as likely, there will be no language on the issue at all.

"If you try to overcomplicate this," a senior American official said with asperity, "you will succeed."

Even the American initiative on weapons of mass destruction is not without controversy. While few European officials question the importance of the issue in the next century or object to more intelligence sharing from Washington, they do have a set of concerns.

They do not want this WMD initiative to overshadow the April summit; they do not want the Americans to act as if European countries have done nothing to protect themselves and their populations; they do not want the Americans to scare European publics to death; and they want NATO initiatives to enhance, not duplicate, existing institutions dealing with such weapons.

These institutions, like the International Atomic Energy Agency or the Nuclear Suppliers Group, concentrate on export controls of dangerous materials. Most European countries prefer to concentrate on perfecting and tightening such controls, and not militarizing the fight against proliferation, a European official said.

That is why recent comments by Defense Secretary William Cohen, rejecting German and Canadian calls for NATO to rule out the first use of nuclear weapons, caused a small tempest.

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Corporate Conscience

Americans are understandably ambivalent about the foreign entanglements of U.S. business. Overseas operations can produce profits and support some jobs at home, but they can also help sustain abusive dictatorships and labor practices. In recent years companies like Nike and Unocal have embarrassed themselves with questionable overseas partnerships, but the problem extends far back in U.S. industrial history.

The issue was highlighted last week in a Washington Post story on General Motors and Ford operations in Nazi Germany (11/17, Dec. 3). The Post reported that after the Nazi occupation of Czechoslovakia in 1939, the chairman of GM, Alfred P. Sloan, told a shareholder that the internal politics of Nazi Germany "should not be considered the business of the management of General Motors." The company plant in Germany was highly profitable.

"We have no right to shut down the plant," Mr. Sloan wrote. General Motors and Ford deny that they helped the Nazis or significantly benefited from forced labor. The Post article said American Ford and GM executives accepted medals from Hitler. A GM executive met with Hitler and participated in converting the German GM plant to military production in 1939 and 1940.

The German Ford and GM plants were the largest producers of trucks for the German Army, according to U.S. Army reports. Ford has found documents showing it profited slightly from its German plant during years when the plant used forced labor.

Ford and GM should give a thorough account of their actions in Germany, and pay appropriate compensation. But they were not the only U.S. businesses to profit during the Third Reich.

The world has no contemporary equivalent of Hitler. But for the past decade, U.S. companies have cozied up to the Burmese junta, Afghanistan's Taliban, Central Asian dictators, African kleptocrats and Colombia's military.

Censure the President

The House impeachment inquiry that is now winding down had two main purposes. One was to underscore and come to terms with the seriousness of what it was already clear that Bill Clinton had done — the months of lying, under oath and otherwise. The other was to establish whether he had done more — obstructed justice in the sense of trying to cause others to give false testimony, withhold evidence, etc.

The Judiciary Committee has failed utterly at the second of these tasks. The proceedings have been a joke; the only substantive witness has been the independent counsel, whose elaborate conclusions as to obstruction, tampering and the like rest mainly on circumstantial and other evidence insufficient to remove a president from office.

The committee, having developed no additional evidence, should drop the obstruction and related charges, as well as the dangerous notion that the president committed an impeachable offense — abuse of power — by even resisting the independent counsel's inquiries. All those charges are a stretch.

The first issue, of lying, rests precisely where it did when the proceedings began. The committee Republicans appear determined to send one or more articles of impeachment baying to do with the lying to the floor. That seems right. All but five members of the House thought on the basis of what was before them before the election that there ought to be an inquiry. Now they should be the judge of the proceeds.

Given the chance to vote, however, they should vote not to impeach but to censure the president. A resolution of censure — if not from the committee, then from the Republican or bipartisan leadership — should accompany any articles of impeachment to the floor. It ought to be toughly, unmistakably worded. There ought not to be a way for the president to dispute its meaning or its importance.

Censure is not an ideal answer to this tangle. In some ways it is too weak a response to the president's offense. The question of impeachment is a closer call than President Clinton and his supporters continue condescendingly to pretend. His own continuing dismissiveness is in the end what makes the charge against him hardest to dismiss — the refusal to acknowledge that lying elaborately and under oath is an offense that even raises a question as to

—THE WASHINGTON POST.

Obuchi's Stand: Don't Take Japan for Granted

By Jim Hoagland

NEW YORK — In Japan it is high praise to say a politician has the deftness, lightness of touch and patience to uproot and lift a tree from the ground with chopsticks. Japan may have unexpectedly found such a politician in Prime Minister Keizo Obuchi.

Mr. Obuchi, a skilled but little known back-room operator, took office in August as a caretaker after his flamboyant and ambitious predecessor, Ryutaro Hashimoto, lost his party's confidence. But Mr. Obuchi has come into his own in the past week, completing an intricate round of summitry that strengthened his domestic position while unveiling Japan's new priority in world affairs.

That priority is the determination not to be granted by the two powers that Japan's leaders feel are doing so: the United States and China.

Tokyo's current complaints go beyond routine diplomatic maneuvering for advantage with Washington. As President Bill Clinton's administration deals with the loud crises of Iraq, North Korea and Kosovo, a silent crisis of confidence is eating away at the foundations of the Washington-Tokyo alliance.

In the long aftermath of the collapse of the Soviet empire, three related developments have shaken Tokyo's confidence in U.S. commitments and in

its own mercantilistic foreign policy, which de-emphasizes military concerns and power politics.

First is the long economic stagnation that grips Japan's tottering banking system and bloated industrial base. The corrosive effect on Japan's politics of that stagnation — and of the unrelenting, often scapegoating criticisms of Japan by U.S. officials — are trenchantly outlined in Yoichi Funabashi's article, "Tokyo's Depression Diplomacy," in Foreign Affairs magazine. Japan, the commentator observes, "is in a deep funk."

The second development is the mesmerizing of U.S. diplomacy by the nuclear tests of India and Pakistan in the spring and by the American struggle with North Korea over its nuclear and missile programs. U.S. officials have subordinated relations with Japan to these other regional priorities on several important occasions in recent months.

The unintended but unmistakable U.S. message for Tokyo: The only Asian countries that count in the highest councils are those that have nuclear weapons. The U.S. slights will not cause Japan to reverse its ban on acquiring nuclear arms. But they have made Tokyo

reconsider its other strategic options.

The third and most important development has been the emergence of China as the potential regional superpower in Asia. Mr. Clinton's exaggerated embrace of President Jiang Zemin's regime has fanned suspicions in Tokyo that the U.S. administration thinks it is playing a China card against Japan — that Washington's coziness with the Leninist leadership in Beijing has the hidden agenda of frightening Tokyo into making trade and other concessions.

It is an interesting, complex theory that might have merit were Henry Kissinger still secretary of state. But today, ineptness is a more likely engine of policy than strategic duplicity in Washington.

China "barely conceals its desire to weaken the U.S.-Japanese relationship," as Mr. Funabashi writes, and pays no price with Mr. Clinton for that ambition. Mr. Jiang even manipulated Mr. Clinton into criticizing Japan's economic policies while the president was on Chinese soil in June, a gaffe that still rankles in Tokyo.

During a six-day tour of Japan that ended last week, Mr. Jiang constantly thrust a thumb in the Japanese eye. He demanded a formal apology for World War II atrocities and sought written promises from Mr. Obuchi that Japan

would always oppose Taiwanese self-determination and membership in international organizations. After all, Mr. Jiang intimated, Mr. Clinton had voiced those promises in Shanghai this summer. How could Mr. Jiang refuse to follow?

Mr. Obuchi did refuse both demands, placing Washington and Beijing on notice that Japan will not meekly follow their lead from now on. His elegant apology for Japanese crimes to South Korea's democratically elected president, Kim Dae Jung, in a September summit meeting set the stage for his principled refusal of the same concessions to the Communist Party boss, Mr. Jiang.

There were also strong domestic reasons for Mr. Obuchi to take a firm line with the truculent Mr. Jiang. Not knowing solidifies his standing with the conservative factions whose support Mr. Obuchi needs to win his own term as prime minister next year. He also got high marks in Tokyo for hosting Mr. Clinton in November in a low-key practical manner that lowered at least a bit the rhetorical temperature.

Taking others for granted seems to be a finely developed art for Bill Clinton in many fields. In the case of Japan, Keizo Obuchi is saying it is time to stop.

The Washington Post.

Adding to the Rhetoric Over North Korea: Talk of War

By Richard Halloran

HONOLULU — North Korea has elevated its rhetoric to assert that its military forces will "annihilate" U.S. and South Korean forces if a new war breaks out on the Korean Peninsula. At the same time, North Korean forces have gone from their barracks to the field for winter training.

The deputy minister of Pyongyang's armed forces, Jong Chang Ryol, said last week that if the United States and South Korea "unleash a war, our People's Army will blow up the U.S. territory." In a statement carried by Pyongyang's Korean Central News Agency, Mr. Jong said the armed forces would deliver "an annihilating blow to the aggressors."

A day later, the official North Korean newspaper, Rodong Sinmun, asserted that a new U.S. war plan and demands that Pyongyang permit inspection of suspected nuclear facilities amounted to a "declaration of war."

Coming amid talks between U.S. and North Korean diplomats in New York, Mr. Jong's statement appeared to be more intense than the normal bluster of Pyongyang's pugnacious negotiating style. For years, North Korea has ratcheted up public pronouncements in an attempt to en-

hance its position at the bargaining table.

In the current negotiations, the U.S. has sought access to underground sites in North Korea that may house nuclear facilities in violation of a 1994 agreement under which Pyongyang agreed to halt development of nuclear arms. The North Koreans, strapped for hard currency in their disastrous economy, have so far refused access unless the United States pays \$300 million dollars for what they claim to be an insult to their sovereignty.

While the North Korean bombast may be just that, U.S. officials in Seoul and Washington have not brushed it aside as in the past. Military maneuvers of the kind Pyongyang's army is conducting are inherently dangerous. They look much like forces preparing for attack, especially when they are close to the Demilitarized Zone that splits the peninsula.

To execute a decisive response, the Combined Forces Command that has operational control of U.S. and South Korean forces in South Korea is putting the finishing touches on a new war con-

tingency plan. It calls on the military not only to repel a North Korean invasion but also to march north to demolish the North Korean armed forces and capture Pyongyang. A senior U.S. official in Seoul said that the North Korean regime would be ended and the country "reorganized" under South Korean control.

The North Korean Army, although it outnumbers the combined forces of South Korea and the United States, has largely obsolete weapons and is inadequately trained because of shortages of food, fuel, spare parts, maintenance and all other support.

Under the new U.S.-South Korean plan, every gun and tank emplacement near the 242-kilometer-long (151-mile-long) Demilitarized Zone, every ammunition and supply depot, bridge and command post and communications node is on a specific target list.

High priority would be given to a North Korean artillery corps in a central sector where it could fire due south toward Seoul. Many of North Korea's 10,600 artillery pieces have limited range, but 200 multiple rocket launchers of 240 millimeters could hit Seoul.

Much of that artillery is parked in

underground shelters but must be pulled out to fire and thus become vulnerable. It could also be taken out by bombing runs before the artillery emerges. "We can bury them," a military planner said.

North Korean targets would be attacked by U.S. B-1 and B-52 bombers, which could fly from the United States within 24 hours. More American airpower would come from U.S. bases in South Korea and Japan and from the aircraft carrier Kitty Hawk, based in Japan. U.S. submarines armed with cruise missiles patrol off North Korean coasts; more could arrive from Pearl Harbor in Hawaii within five days.

The war plan envisions possible amphibious assaults into North Korea involving all three combat divisions of the U.S. Marine Corps. In perhaps the most famous battle in the Korean War of 1950-1953, the United States broke North Korean forces with an amphibious landing at the port of Inchon, west of Seoul.

The writer, a former military correspondent for The New York Times, contributed this comment to the International Herald Tribune.

A Consensus on Preserving Taiwan's Separate Identity

By Philip Bowring

HONG KONG — The significance of Taiwan's legislative and mayoral elections has been to demonstrate what an ordinary country it has become. These were elections conducted with American-style razzle-dazzle and fought not over the ideological questions of relations with mainland China, but over personalities, local issues, the economy, domestic politics and party organization.

The New Party, which favors reunification with China, saw its vote almost cut in half to 7 percent, while the nominally pro-independence opposition, the Democratic Progressive Party, saw a huge setback to its hopes of eventually becoming Taiwan's largest party. Beijing will doubtless take

comfort from the Democratic Progressives' relatively poor showing. Their share of the legislative vote fell Saturday to 29 percent from 33 percent in 1995. Those who gained the most were independents, a tribute to the local nature of Taiwan's politics and its unusual voting system — one vote per elector in a multiple-member constituency. The vote for the Nationalist Party, or Kuomintang, was steady at 46 percent, leaving it with a clear overall majority in the legislature.

The concentration on personalities was displayed in the mayoral elections. In Taipei, the success of the Kuomintang's rising star, Ma Ying-jeou, 48, over the Democratic Progress-

ives' populist incumbent, Chen Shui-han, 47, was matched by the ouster of the Nationalists' long-time incumbent in Kaohsiung, Wu Den-yih.

Not much broad political significance can be read into these results. The contests were never over relations with the mainland. But they do emphasize the degree of consensus that exists on the paramountcy of maintaining Taiwan's de facto independent status. Whatever the personal feelings of Mr. Ma, who is of mainland origin, or Mr. Chen, who wears his Taiwan identity on his sleeve, there is little political mileage in stirring up cross-strait issues.

The election does have im-

portant consequences. It dims the Democratic Progressive Party's hopes that Mr. Chen might have had a chance of victory over the Kuomintang candidate in the presidential election in 2000. It thus spurs Beijing to a difficult decision on whether to address the Democratic Progressive "threat" with its own threats or by opening lines of communication with those Democratic Progressive Party leaders sympathetic to closer economic ties with the mainland.

But by the same token, the election underlines the almost total absence of desire for reunification. Japan's refusal to follow President Bill Clinton in conforming to Beijing's "three no's" has given Taiwan added confidence in its ability to sustain the status quo. Beijing's hopes of significant progress on reunification have thus been dimmed.

President Lee Teng-bui of Taiwan, too, may have mixed feelings about the election results. The Kuomintang victory has strengthened his own position. But it has also highlighted the positions of Mr. Ma and the provincial governor James Soong. Neither is close to Mr. Lee, and Mr. Ma is viewed as unimpaired by Kuomintang money politics. Both Mr. Ma and Mr. Soong are more popular than Vice President Lien Chan.

Some in Taiwan fear that an administration run by Mr. Ma or

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Nicaragua Canal

PARIS — [The Herald says in an Editorial:] The addition of Hawaii and the Philippines to the United States and the prospect of increased trade with the Far East have made an interoceanic canal a necessity. The Panama Canal would cost at least \$130,000,000. On the other hand, the cost of the Nicaragua Canal would be about \$65,000,000. If the United States desires to secure control of an ocean highway, the Government must act energetically.

1923: Jazzing Opera

NEW YORK — The verdict for damages granted to Giacomo Puccini in Milan against a music publisher, for jazzing strains from "Madame Butterfly," was regarded as the forerunner of suits in America. The fact that the jazzed version of the Puccini opera has been more published

here than in Italy leaves no doubt that the composer will take steps to protect "dignity" in this country. The defense to be made here will be based upon the contention that "jazzing" strains from a classical composition is not degrading to the author.

1948: Interracial Store

NEW YORK — A new interracial venture, one of the first in the United States, involving partnership between whites and Negroes, opened in Harlem. Samuel L. Feldman, spokesman for a group of white investors, said a number of retail Negroes have joined in the promotion of a department store. The business will provide Negroes with an opportunity to emerge as merchants in Harlem. There have been complaints that discriminatory practices by white store owners have prevented them from doing so.

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INTERNATIONAL

Rise in Cigarette Smoking Doesn't Bother Burma Government

By Thomas Crampton
International Herald Tribune

MANDALAY, Burma — When U Soe Thin Oo attended a concert a few months ago by Iron Cross, the most popular Burmese heavy metal band, he got more than just an earful of "Desert Moon," the band's hit love ballad.

Along with all the other ticket holders he received five Golden Eagle cigarettes and a plastic lighter to ignite them. Like most people at the concert, he smoked through the pack.

At U Hoke Ho's tea shop, in the town of Suway, farther north in Burma, a haze descends each time young women flock through handing out free Golden Eagle cigarettes and lighting them up for customers.

"They don't give them to children, but even those who don't smoke try the cigarettes," the tea shop owner said. "People always like to get things for free."

Across the country, young people tell similar stories of how they were drawn

to cigarettes by free handouts and slick advertising tactics never before seen in Burma as tobacco multinationals focus their powerful marketing machines on potential smokers.

This has led to a rapid increase in smoking among young people in Burma — and in other countries in Southeast Asia where cash-strapped governments have a financial stake in tobacco sales. Tobacco companies themselves also rely increasingly on profits from the region's poorest countries.

Rothmans Industries of Singapore, whose London brand is the market leader in Burma, runs a factory in a joint venture with a holding company owned by the country's ruling military. The three-year-old venture turned a profit after just one year, company officials said, and there are already plans to expand production.

Rapid sales growth in Burma and Vietnam helped push up Rothmans' pretax profit by 15.4 percent in the first half of 1998, despite shrinking cigarette

sales in Singapore, the company's only other market, according to a company announcement last month.

The Burmese government likes dealing with multinational cigarette companies because it can more readily collect revenue from large factories or importers than it can from small-time producers of hand-rolled smokes like Burma's traditional cheroots, according to Brigadier General Maung Maung, head of the foreign investment commission.

After Rothmans, Burma's second-largest foreign investor in cigarettes is the Indonesian giant Sampoerna, followed by a small South Korean stake in Myanmar Glacier Tobacco.

Imported cigarettes commonly available in Burma include brands produced by British American Tobacco — including 555, Benson & Hedges, Lucky Strike and Viceroy — along with Philip Morris's Marlboro and RJR Nabisco's Camel and Salem.

Domestic production has increased to 4.4 billion cigarettes in the last fiscal year,

from less than 1 billion cigarettes in 1992, to according to government statistics.

From zero a decade ago, tobacco imports to Burma rose to more than 1,700 metric tons in 1996. Tobacco imports in 1995 were worth \$142 million and accounted for about 6 percent of the nation's total merchandise imports, according to a study by the U.S. government.

General Maung Maung said the Burmese government was very concerned about the increased number of young smokers and had already begun imposing controls, such as a recent ban against tobacco advertising on television.

Marlboro cowboys recently stopped riding across viewers' screens, but other brands still broadcast ads regularly on television despite the ban, and few in Burma come in contact with cigarette-pack health warnings. A pack of 20 cigarettes costs the equivalent of about one day's salary for manual laborers, so most smokers support their habit cigarette-by-cigarette instead of buying

packs, many of which have the warnings written in English.

The cigarette companies say their advertising is aimed at adults and is intended to maintain brand loyalty or to entice those who already smoke to change brands. But the young people of Burma have received a very different message.

"My generation smokes, not my father's," said U Win Aung, a 26-year-old in the town of Maymyo who began smoking at age 17. "Cigarettes are modern and free-style. I am not so choosy about the brand so long as it has Virginia tobacco."

U Win Aung said that even strong health warnings would not deter him from smoking now. He enjoys spending one evening each weekend drinking Mandalay rum and smoking with friends at Summer Feelings, a popular new bar along the dusty main street of Maymyo.

"The cinema is censored, and there are no nightclubs or live shows," he said. "Beyond smoking there is no entertainment."

Drug Exposé Aired as Fact On U.S. TV Was a Fake

By T.R. Reid
Washington Post Service

LONDON — A prize-winning documentary about Colombian drug-runners that was broadcast on the CBS News program "60 Minutes" was a fake, a commission has concluded, with paid actors portrayed as drug dealers and the producer's hotel room disguised as a drug kingpin's jungle hideout.

An independent panel of lawyers and veteran producers said the news program, "The Connection," was essentially fiction. The film had dramatic footage of a drug "mule" said to be carrying millions of dollars worth of heroin to London for the Cali drug cartel in Colombia. The panel concluded that there was no "mule" and no heroin, and that the "important new smuggling route" the program purported to expose did not exist.

The documentary was made by Carlton Communications, a prominent British television and film production company, and was sold to CBS in 1997. It features hidden cameras, disguised voice interviews, secretive locations and other tools of documentary filmmakers.

The flaws in the production were first revealed in May by The Guardian, a British newspaper. The report prompted Carlton to set up the independent panel, which issued its report Friday.

CBS did not undertake its own study of the program, but said that the results of the British probe will be reported on "60 Minutes."

"The Connection" has been broadcast around the world and has won eight journalism awards, including three in the United States. Carlton said it would return the awards and refund the fees it received from networks that bought the program.

The expansion of cable and satellite television channels has created a large new market for documentaries. Producers say some filmmakers use paid actors and other false techniques to spice up their offerings.

The study panel concluded that the flaws with "The Connection" went deeper, however. It said that the basic conclusion of the program — that Colombian drug dealers have opened a new smuggling route to Europe through Heathrow Airport in London — was false.

A person said to be a drug "mule" is shown swallowing rubber balloons said to contain heroin. The smuggler is then filmed arriving at Heathrow. On "60 Minutes," a reporter, Steve Kroft, said that the mule had "no problem" getting past Customs and that "another pound of heroin was on the British streets."

In fact, the panel said, the smuggler was a hired actor who swallowed sugar or mints. And when he arrived, Customs officials immediately sent him back to Colombia because of passport problems.

The panel said it could not determine whether the producer, Marc de Beaufort, knew about all the false elements of his documentary.

Albert Gore Sr., a Power In Democratic Party, Dies

By Irvin Molotsky
New York Times Service

WASHINGTON — Albert Gore Sr., a former Tennessee senator, the father of the U.S. vice president and a longtime powerful figure in the Democratic Party, died Saturday at his home in Carthage, three weeks before his 91st birthday, the White House said. Vice President Al Gore and his wife, Tipper, were with Mr. Gore when he died.

From 1953 to 1970, Mr. Gore represented Tennessee in the Senate, where he was regarded as one of the few liberals among Southern Democrats. His liberalism contributed to his defeat in 1970 in a bitter campaign in which the Republican victor, William Brock 3d, derided Mr. Gore's support of busing and civil rights legislation and his opposition to the war in Vietnam.

That campaign was said to have been so nasty that it temporarily soured his son's view on politics. But the younger Mr. Gore went on to be elected to the House of Representatives, to the Senate and in 1992 to the vice presidency.

In 1952, Albert Gore Sr. was elected to the Senate, where he did not fit the mold of either the Northern liberals or

the Southern conservatives. He was known as one of the Senate's best debaters and was considered a possible vice presidential nominee in 1956 and 1960, but he frequently found himself on the unpopular side of an issue.

In 1956, Mr. Gore was one of only three senators from the South to refuse to sign a Southern manifesto protesting the Supreme Court's desegregation decision two years earlier. Siding with him were Lyndon Johnson and Estes Kefauver. But in 1968, with Johnson now president and prosecuting the war in Vietnam, Mr. Gore said in a speech at the University of Idaho that the administration should get out of the "morass in Vietnam."

In a tribute Saturday night, President Bill Clinton said, "Albert Gore Sr. was the embodiment of everything public service ought to be."

Vladimir Dokoudovsky, 79, a founder of Ballet Theater, Mr. Dokoudovsky was among the dancers who in 1940 formed the nucleus of the first New York season of Ballet Theater, as the company was originally called.

He was best known for his appearances with the two organizations that tried to preserve the heritage of Diaghilev's innovative Ballets Russes: Col-



Albert Gore Sr. with his son, the vice president, in a 1993 photograph.

onel W. de Basil's Ballets Russes and the Ballet Russe de Monte Carlo. He danced with the Monte Carlo company in 1938 and with the colonel's group from 1942 to 1952, interrupting his tenure there to return to the Ballet Russe de Monte Carlo as a guest artist in 1950 and 1951. He also choreographed "Les Femmes d'Alger," inspired by a Delacroix painting, for de Basil in 1952.

As far as their defense before the Judiciary Committee goes, Mr. Clinton's attorneys plan to call witnesses to testify about the standards for impeachment that are laid out in the Constitution, but none of the key participants in the Lewinsky drama. The list includes Nicholas Katzenbach, an attorney general during the administration of Lyndon Johnson; Bruce Ackerman, a professor of constitutional law at Yale University; and Sean Wilentz, a professor of history at Princeton.

Given the growing bitterness among those favoring impeachment, the lawyers will have a delicate task trying to construct a solid defense without further alienating any wavering lawmakers.

One Republican member of the Judiciary Committee, Representative Bill McCollum of Florida, said Sunday that he favored passing as many as four articles of impeachment, dealing with alleged perjury, obstruction of justice and abuse of power.

Palestinians In Prison Start Hunger Strike

Agence France-Press

GAZA CITY — More than 2,000 Palestinian political prisoners held in prisons across Israel started a hunger strike Sunday to demand their release, the Palestinian Authority said.

The hunger strike started less than a week before President Bill Clinton was to arrive for a visit to Israel and the Palestinian territories in a bid to shore up the troubled peace process.

"The 2,400 political prisoners have launched an unlimited hunger strike in a bid to leave the prisons where they continue to languish five years after the signing of the Oslo accords with Israel," said Hisham Abdel Razek, the Palestinian minister for prisoner affairs.

The Union of Palestinian Prisoners, based in Gaza City, called on the population to demonstrate its solidarity with the hunger strikers by staging protests.

But the Israeli prison authority said not all Palestinian prisoners were observing the strike. A spokeswoman for the prison service said that fewer than half the political prisoners held in civilian prisons, which excludes those held in Israeli Army detention centers, were participating. The army said that several hundred prisoners in its camps were not eating, without giving precise numbers.

Strong Words From Netanyahu

Prime Minister Benjamin Netanyahu of Israel accused the Palestinians on Sunday of "making a farce" of the latest peace accords and said he would not agree to further troop withdrawals until anti-Israeli violence ceases. The Associated Press reported from Jerusalem.

Mr. Netanyahu said in an interview that the Palestinians were emboldened to foment street riots and threaten to declare statehood because they believed that they had the tacit support of the United States. "The Palestinians are making a farce out of the Wye River accord. They think they have the United States in their back pocket," he said. "As long as that is the case, they will not change their behavior."

Mr. Netanyahu said he did not believe that the United States was siding with the Palestinians, but his remarks signaled that he would like Mr. Clinton to lower Palestinian expectations prior to his visit.

IMPEACH: Republicans and Democrats Alike See the House Moving Against Clinton

Continued from Page 1

Republicans may have opposed impeachment before the 81 answers were delivered, those numbers have dropped. He opposes impeachment, saying that the allegations against Mr. Clinton are serious but not impeachable.

Mr. DeLay, meanwhile, said only five Republicans in the House now oppose impeachment, along with five or six Democrats — meaning a vote to impeach might narrowly carry. If it did, the Senate would conduct a trial of the president, beginning early next year, for only the second time in American history. The first was the 1868 impeachment of President Andrew Johnson; he survived conviction by a single vote.

The impeachment process could tie up the Senate for weeks or months. Trent Lott, the Senate majority leader, said Sunday that if the upper house was called on to try the president, he hoped to

conclude the process "very briskly." In an interview on NBC he said that he "could see it taking a few days to just a few weeks," and that the Senate could proceed with other business even during a trial.

Democrats in the House, meanwhile, assailed Mr. DeLay's vote-counting and blamed him for blocking efforts to fashion a censure of Mr. Clinton as a less disruptive way to end the crisis.

Representative John Conyers, the ranking Democrat on the Judiciary Committee, criticized Mr. DeLay for seeking "to close down the censure route when we know that there are a lot of people in both parties looking for a way to maintain their integrity and move to the exit door."

Representative Peter King, a Republican from New York, has been trying to gain support for a plan that would include a strongly worded apology by Mr. Clinton, a censure vote by Congress and

some kind of fine. He said he had presented the plan to the White House and "the White House is considering it." But he contended, the Republican leadership was blocking the plan.

"If there was a censure vote allowed in the House," he said on CBS, "certainly you would have 15 to 20 Republicans voting for it, and voting against impeachment."

The White House, concerned by the rising tide toward impeachment, said last week, for the first time, that it was open to the possibility of a fine in the context of a censure agreement.

Mr. Conyers asserted that Mr. DeLay was placing maximum pressure on Republicans to vote for impeachment.

But Mr. DeLay said that was "absolutely false." Democrats, he said, "are 'whipping' the vote, they're putting a lot of pressure on their members; we have not talked to any member and asked any member to vote one way or another."

VOTE: Mired in Dirty Politics, St. Petersburg Struggles to the Polls

Continued from Page 1

vive the nationwide plague of economic depression, crime, corruption, resurgent anti-Semitism and political decay.

In some sense, the hopes for democracy rest in St. Petersburg today," said Leonid Kosselman, a sociologist and political columnist. "The Russian is turning away from the democratic cause, and this city can help right it."

All 50 seats in the municipal assembly were up for grabs in the first-round voting Sunday, and close to 600 candidates were running. The assembly is unusual because, under a new city charter, it possesses powers to hold the executive branch accountable for its actions. Balance-of-power politics is rare in Russia. Authoritarian mayors, governors and the president all exercise vast powers of rule-by-decree, while legislatures are limited largely to budget oversight, if that.

Oleg Sergeyev's race illustrates the stakes. The incumbent, a physician, fought to reform the city's procurement of prescription drugs for the needy. He charged that purchases were made from a cabal of companies that charged high prices and delivered substandard goods.

In April, unidentified assailants beat him outside his apartment, fracturing his ribs and skull with a truncheon. He was hospitalized for two months. Mr. Sergeyev declared his candidacy anyway, but his campaign was quickly mired in a muck of brazen dirty tricks: the appearance of two of his mystery candidates, false invitations put out under his name inviting voters to free food handouts, and opponents who offered voters money in advance of the balloting and a bonus if the rivals won. The phantom rivals supposedly exist. One is a retiree, the other an unemployed laborer, according to registration records.

"It is not enough anymore for gangsters to influence politics," said Mr. Sergeyev, a two-time assembly member. "They want to take direct charge."

Mr. Sergeyev, who has traveled in the company of a bodyguard since April, spent the final days of his campaign fighting off sabotage. And he is not alone in his cam-

paign against false doubles, or *divionki*. In the 16th district, the housing reform incumbent, Sergei Andreyev, faced off against three other mystery candidates with the same name. The former speaker of the assembly, Yuri Kravtsov, was running against a student named Yuri Kravtsov. The reform candidate Alexander Belyayev was opposed at one point by a sea captain who later relented and announced he was given \$900 to declare his candidacy. He declined to say who had paid.

Candidates for the Yabloko party are up against a newly invented group called Yabloko St. Petersburg, whose headquarters addresses turned out to be false.

At a polling station near the Mariinsky Theater, a woman scanned a candidate roster and noted there were two Albert Baranovs listed. "Can someone help me?" she asked plaintively.

"This is clearly being done to reduce the chances of respectable candidates,"

said Yelena Tsemalistrova, a medical researcher. "I don't know who is doing it, but they are hungry and powerful."

In St. Petersburg, two struggles have combined to blight politics, observers said. First, Vladimir Yakovlev, the equivalent of mayor, has resisted the legislature's drive to hold him accountable for city business.

Aides say Mr. Yakovlev is taking a neutral stand in the election, but the hands-off approach means nothing is being done to curb fraud. The city prosecutor's office has taken no steps to punish either false candidacies or vote-buying schemes.

Gangsters are battling to control municipal resources, everything from real estate and the port to cemeteries and the supply of fuel for city transport. Newly formed groups are making war on established organized criminals. Assassination is the frightening tool of choice.

Spanish Rightists Held in Gibraltar

The Associated Press

ALGECIRAS, Spain — Police in Gibraltar arrested a far-right leader and six other Spanish rightists after they replaced a British flag with a Spanish one, the authorities said Sunday.

Ricardo Saenz de Ynestrales, 33, who leads the far-right Alliance for National Unity, was held at the police station in the British colony. The other arrestees were not identified.

"The flag that waves there is not the right one," said Maria Alonso, a spokeswoman for the Spanish party. "It should be ours."

Gibraltar, on the southern tip of Spain, has bedeviled relations between Spain and Britain since the land was ceded to Britain under the Treaty of Utrecht in 1713.

LIBYA: Annan's Gamble Fails to Break the Lockerbie Impasse

Continued from Page 1

Libyan demands that the two suspects, if convicted, not be imprisoned in Scotland. Libya also wants more assurances that UN sanctions, imposed for its failure to hand over the two suspects, will indeed be lifted when it turns the men over.

Mr. Annan flew to Sirte at some political risk, saying he wanted to try to break the deadlock in the case by getting Mr. Gadhafi's agreement to stop delaying the transfer of the two suspects to the Netherlands for a trial by Scottish judges.

Mr. Annan detoured from a trip between Tunisia and a meeting of Gulf leaders in Abu Dhabi to go to Libya, despite the skepticism of diplomats and UN officials. His trip to Libya was UN officials, premised on talks with Mr. Gadhafi, although there was no assurance in advance that the Libyan leader would show up.

This is the third time in his first two

years as secretary-general that Mr. Annan has taken political risks to try to reach a compromise with a dictatorial leader.

He agreed two years ago to reconvene an investigation team looking into allegations of massacres in the Democratic Republic of the Congo when the new president, Laurent Kabila, whose troops were accused of the killings, refused to work with the group set up by the UN Human Rights Commission.

In February, he went to Baghdad to persuade President Saddam Hussein to resume cooperation with arms inspectors.

In both cases agreements he obtained were not honored.

There were no details immediately available on his talks with Mr. Gadhafi, whom he appears to have met in a lavish desert tent, an encounter that a television desert was permitted to film. Expectations for the meeting were never high, but the United Nations had a plane waiting in Italy in case the suspects were released.

It is still possible that this could happen, since Libya's Parliament has been summoned into a rare session Tuesday.

Pan Am Flight 103 was blown up over the town of Lockerbie on Dec. 21, 1988, killing 270 people, including 11 on the ground. An investigation by British and American law enforcement and intelligence agencies concluded that two Libyan agents had planted an explosive disguised in a radio-cassette player on the plane.

The Libyans are also accused of plotting the bombing that destroyed a French jet over Niger in 1989, killing 171 people. That case is also unresolved.

Mr. Gadhafi is eager to see the end of sanctions, imposed on Libya in 1992 and toughened in 1993. These sanctions have barred international air travel to and from Libya as well as the sale of arms and spare parts for aviation and for the oil industry on which the Libyan economy depends. Libyan assets have been frozen abroad and diplomatic representation has been limited.

ISRAEL: Soul-Searching After a Beating

Continued from Page 1

Israel. To some, his failure to act, to defend himself by firing his weapon, assuming he could, is a humiliating symbol of the state's failure of nerve in the face of Arab effrontery.

"What in God's name is happening to us?" asked Yacov Erez, a commentator in the daily newspaper Ma'ariv. "Have we turned into a wimp state?"

To some, Corporal Myara is a pitiable victim of the country's inability to deal effectively with the Palestinian situation.

"The country, this government in particular, is sending soldiers to handle impossible situations — whether it's Lebanon where the purpose of the mission is not clear," or the West Bank," said Yaron Ezerli, an Israeli political philosopher.

On the facts, at least, there is somewhat less disagreement. Corporal Myara, assigned to an intelligence unit in the Jewish West Bank settlement of Beit El, was on his way home to Jerusalem a little after midday Wednesday. Corporal Myara, who was riding in the passenger seat, and the driver approached a traffic circle in an Israeli-controlled zone near the West Bank city of Ramallah. There they encountered a group of Arabs demonstrating against Israel's refusal to release more of those whom the Palestinians consider political prisoners.

The car slowed. Several dozen demonstrators closed in around it, hurling stones and methodically shattering all of the car's windows. After a rock crashed through the windshield, the driver, Yehuda Oleva, stumbled out holding his bleeding head and ran for cover. The car rolled slowly into the curb as Corporal Myara, hunched over in the passenger seat, folded his arms over his head against the barrage of rocks.

When the car humped to a halt, the mob dragged him from it, made off with his M-16 assault rifle and stomped him on the ground as the television cameras rolled. After 30 seconds or so, Corporal Myara made it to his feet and ran.

Prime Minister Benjamin Netanyahu, who watched the videotape with some of his ministers, suspended all further Israeli

troop withdrawals from the West Bank and demanded an end to the violence.

Senior Israeli Army officers and hawkish politicians issued scathing assessments of Corporal Myara's performance, suggesting that he had been trained for combat and issued an M-16 to defend himself.

"He should have opened fire," Brigadier General Yaakov Zigdon, deputy chief of the army central command, was quoted as saying. "In a situation like that you shoot to kill."

Using information supplied by the army, some Israeli news organizations then took up the attack, suggesting that Corporal Myara, a draftee who has been transferred at least twice in his year in the army, was a problem soldier. It was further reported that Corporal Myara, having been confined to his base for a week on a disciplinary infraction, had gone absent without leave at the time of the attack.

Worst of all, in the view of army officers and fellow soldiers, was that Corporal Myara allowed his M-16 to be taken and, according to some reports, was traveling in the West Bank without an ammunition clip in the weapon, in violation of regulations. Now there is talk of a court-martial.

The outpouring of criticism has rubbed many Israelis the wrong way.

"People who haven't experienced anything of this kind don't have a right to speak," said President Ezer Weizman.

Among the most outraged is the soldier's mother, Lisa Weinmann-Myara, 41. Disabled by a dozen operations on her spine, she hobbles around her apartment with the help of a crutch. Her poor health, not any performance problem on the part of her son, was the reason for Corporal Myara's several transfers, she said. His disciplinary infraction was for nothing more serious than failing to shave, she said. As for those who suggest that her son could have defended himself, she is withering. Even if he could have opened fire, she said, "he would've ended up in a plastic bag, as minced meat."

"A bigger mob would have gathered and there would've been a massacre," she said. "He did the only just and sensible thing."

LANGUAGE

Anti-Monopolists: A Bunch of Luddites

By William Safire

NEW YORK — The lead attorney for Microsoft, the firm accused by the U.S. government of seeking to monopolize the computer industry, strode into a Washington courtroom and told the judge that the proceedings had turned into "a return of the Luddites."

Bill Gates's lawyer, John Warden, explained to listeners unversed in English history that the Luddites were a band of workers who smashed machines "to arrest the march of progress driven by science and technology."

If I had been the judge, I would have interrupted to say, "If you're going to cite precedent, get specific."

In Leicestershire in 1779, a man named Ned Ludd broke into a house, and in what was reported to be "a fit of insane rage," destroyed two machines used for knitting hosiery.

The breaking of such knitting frames — machinery invented two centuries before — had been going on for nearly a century. Ludd, however, did it with such gusto and flair that subsequently, whenever machines of any sort were found smashed, the excuse was given that "King Ludd must have been there."

What was Ludd's motive? Was he a lover of hand-knitted hosiery? Did he prefer going barefoot? Or was he making some sort of undared social protest of deeper significance? Revisionist historians say that Ludd and other frame-breakers were protesting poor working conditions and low wages at the beginning of the Industrial Revolution.

The meaning of Luddite became fixed as 'radical opponent of technological or scientific progress.'

However, between 1811 and 1816, organized bands of masked men swore allegiance to "King Ludd" rather than the British sovereign, and waged a war against the serflike conditions spawned by the users of textile machinery.

"If the workmen dislike certain machines," explained The Nottingham Review in 1811, "it was because of the use to which they were being put, not because they were machines or because they were new."

That living-condition claim was

swept aside by commercial interests and officialdom, which hung the label Luddite on protesters not for demanding a living wage but for obstructing the march of technological progress. The historical revisionists argue that others attributed the anti-machinery "cause" to the Luddites.

Intellectuals and romantics like the poets Blake, Byron, Shelley and Wordsworth picked up that anti-technology theme, but identified with its other side.

In the "dark Satanic mills" of industry, they saw the human spirit being stifled. Byron wrote an inflammatory "Song for the Luddites" in 1816. Its first stanza:

"As the Liberty lads o'er the sea
Bought their freedom, and cheaply,
with blood,
So we, boys, we
Will die fighting, or live free,
And down with all kings but King
Ludd!"

Mary Shelley, daughter of the feminist Mary Wollstonecraft and wife of the poet, gave the Luddite theme dramatic power in her 1818 novel, "Frankenstein."

The danger of rampant technology is expressed by the monster, who says to Dr. Victor Frankenstein, "You are my creator, but I am your master."

Between the sweatshop operators and the romantic poets, the meaning of Luddite became fixed as "radical opponent of technological or scientific progress."

The novelist Thomas Pynchon wrote in The New York Times in 1984, "The word Luddite continues to be applied with contempt to anyone with doubts about technology, especially the nuclear kind."

But he foresaw the day when "artificial intelligence, molecular biology and robotics all converge" and found what Microsoft lawyers claim to be government barbarians at their gates as "certainly something for all good Luddites to look forward to, if, God willing, we should live so long."

Information about today's neo-Luddism, from Nettes who describe themselves sardonically as "people who tend not to overutilize technology," can be found on the Internet at www.tunc.edu/~kavacsi/luddite.htm. (That's two tildes, the symbol that looks like an arched eyebrow.)

From breaking knitting frames at the start of the Industrial Age to breaking into mainframes and PCs in the Information Age — you just can't keep old Ned Ludd down. Lord Byron and Frankenstein's monster would be proud.

□

"There is substantial and credible evidence," charges the majority staff

of the House Judiciary Committee, "that the president may have engaged in misprision of Monica Lewinsky's felonies."

Minority counsel fired back that "allegations of lying under oath, obstruction and tampering — or even as counsel renames them as misprision of a crime" did not rise to historical impeachment precedents.

Where is this misprision, and how is it pronounced?

Today, the legal meaning is still spelled out in a treason statute.

The word has nothing to do with prison, though it can send you there. The last syllable begins with the same sound that begins the name Zsa Zsa Gabor.

The root meaning is "mistake"; misprision comes from the French *misprenre*, with *prendre* meaning "to take." It was Shakespeare's meaning in "Love's Labor Lost": "sweet misprision!"

A more sour sense was already in use, that of "concealment." In 1533, Henry VIII beheaded Sir Thomas More for refusing to acknowledge an annulment of his marriage to Catherine of Aragon, calling his crime "misprision of high treason."

Today, the legal meaning is still spelled out in a treason statute. Title 18 of the U.S. Criminal Code:

"Whoever, owing allegiance to the United States and having knowledge of any treason against them, conceals and does not, as soon as may be, disclose and make known the same to the president (or other legal authority) ... is guilty of misprision of treason and faces a jail term of up to seven years."

Setting treason aside, and ignoring its application to all outdated editions, misprision means "neglect of duty"; all citizens, especially government officials, are duty bound to report knowledge of serious crimes.

The noun was thrust into the nation's vocabulary in 1974 during the Nixon impeachment hearings. The White House attorney Leonard Garment, drawing on his familiarity with a 1649 poem by Richard Lovelace ("Stone walls do not a prison make/Nor iron bars a cage"), offered this amelioration to those accusing the president of obstructing justice: "Stone walling does not misprision make."

New York Times Service

HEALTH/SCIENCE

What Killed the Neanderthals?

By John Noble Wilford
New York Times Service

NEW YORK — In a study already drawing the fire of controversy, an American geographer has found evidence suggesting, in his view, that little more than the amount of iodine in their diets may have been responsible for the physical differences between Neanderthals and modern humans and that this might solve the mystery of what happened to the Neanderthals.

According to this interpretation, the skeletons of Neanderthals bear signs of physical deformities and possibly impaired mental health, which could be a result of iodine-deficient diets.

This condition may explain why they were so rapidly and completely replaced by modern humans in Europe about 30,000 years ago. It may even mean that Neanderthals could actually have been anatomically modern humans who were pathologically altered by iodine-deficiency diseases, like cretinism.

Perhaps the Neanderthals did not so much disappear as change their diets some time before 30,000 years ago to include more iodine-rich foods. In that case, this could explain why certain Neanderthal physical traits — heavy brows, thick bones and muscularity and propensities for degenerative joint diseases, which are also associated with iodine-deficiency diseases — did not persist even if their genes continued into later European populations.

These are the provocative ideas of Jerome Dobson, a geographer at the Oak Ridge National Laboratory in Tennessee, who crossed into the territory of paleontology and the minefield of Neanderthal studies while examining geographic questions about differences between coastal and inland populations.

His analysis is being published this month in *Geographical Review*, the journal of the American Geographical Society.

Paleontologists who specialize in Neanderthal research



Was the Neanderthal the victim of iodine deficiency?

have raised sharp objections. Mr. Dobson's conclusions, they contend, are a stretch based on highly circumstantial evidence and at odds with evolutionary biology. But some anthropologists and other geographers said that the data seemed impressive and that the interpretations should be taken seriously.

Karl Bunzer, a geographer at the University of Texas, said, "Even if this just generalizes papers that argue against the idea, it will have served a purpose, making the fossil people think and rethink their positions."

For want of the chemical element iodine, a modern human typically suffers from goiter, an enlargement of the thyroid gland that disfigures the neck, or from cretinism, an even worse condition of physical deformity and mental retardation. Cretinism is caused either by dietary iodine deficiency or by malfunction of the thyroid gland, which processes iodine into the thyroid hormone.

Although the addition of

iodine to table salt has all but eliminated goiter and cretinism in developed countries, the World Health Organization estimates that 750 million people suffer from goiter and that 5.7 million are cretins. About 30 percent of the world's population is at risk of iodine-deficiency diseases, especially people who live away from the principal sources of dietary iodine like saltwater fish, shellfish and seaweed.

It occurred to Mr. Dobson that Neanderthals mainly lived in such iodine-deprived areas in interior Europe during the ice ages. So he examined some of the 300 Neanderthal skeletons in museum collections and comparing them with medical descriptions of cretinism and with 17 cretin skeletons at collections in Basel, Switzerland, and Philadelphia.

In both the skeletal examinations and the medical literature, Mr. Dobson was struck by the conspicuous similarities. Many of the cretins had bulging brow ridges

much like those common to Neanderthals. They also seemed to suffer many of the degenerative joint diseases of the jaw, spinal column and hip that afflicted Neanderthals.

The research revealed too many similarities to be coincidental, he said, and the "key factor in controlling Neanderthal morphology" appears to be iodine. This suggested to him that perhaps the critical difference between Neanderthals and modern humans was a single genetic alteration that improved the ability of the modern human thyroid gland to extract and use iodine.

This would have given the modern humans who arrived in Europe 40,000 years ago, and are known to science as the Cro-Magnons, a clear advantage over Neanderthals in a low-iodine environment.

As for the fate of the Neanderthals, Mr. Dobson said his analysis could support either of two opposing theories: replacement or continuity.

The prevailing replacement theory holds that all Neanderthals died out and were replaced by modern Homo sapiens, though it has always been puzzling that these hunters who had survived across Europe and western Asia for some 200,000 years should lose out to modern humans, the Cro-Magnons, in the relatively brief time of 10,000 years.

In his conclusions, Mr. Dobson wrote, "Iodine deficiency among Neanderthals may explain why they were so easily replaced by Cro-Magnons."

The continuity theory posits that some interbreeding occurred between Neanderthals and modern Homo sapiens, meaning that some Neanderthal genes survive in Europeans.

Mr. Dobson argued that in genetic terms, Neanderthals may have been anatomically modern humans who were pathologically altered by the effects of iodine deficiency.

Through growing trade and other contacts with coastal people, the Neanderthals could have added more iodine to their diets.

BOOKS

THE LAST KING OF SCOTLAND

By Giles Foden. 335 pages. \$25. Alfred A. Knopf.

Reviewed by Michiko Kakutani

NICHOLAS GARRIGAN, the willfully oblivious hero of Giles Foden's first novel, is a nightmare version of Forrest Gump transplanted to Uganda: He is a witness to many of the bloody atrocities committed during the 1970s rule of President Idi Amin, the confident of both Amin and the British consul, a witness to the Entebbe hijacking and hostage rescue and an unwitting accomplice in the bombing of a plane.

"The Last King of Scotland" (which was published to considerable acclaim in Britain this year) is an uncomfortable amalgam of black comedy and historical tragedy — the sort of thing you'd get if you took Evelyn Waugh's "Black Mischief" and William Boyd's "Good Man in Africa" and set them against the backdrop of a real-life mass killing.

The result is a highly readable but troubling novel that inadvertently trivializes the plight of the estimated 500,000 people who died in Uganda during Amin's eight-year reign of terror.

The fictional Garrigan, we learn, is a Scottish physician, posted by the British Ministry of Health to work in a clinic in a remote Ugandan village. Through a chance encounter, he becomes Amin's personal physician, a job that will make him privy to many of the heinous acts committed during the dictator's reign.

As the narrator, Garrigan initially comes across as a bumbling but likable twit: a self-absorbed fellow looking for women and a good time. Still, he readily admits that he has a "closed-in, obnoxious temperament," and he soon falls under the spell of Idi Amin, whom he likens to "a being out of Greek myth."

The real-life Amin has been described by journalists as a larger-than-life figure, capable of exuding childlike geniality one minute, irrational rage the next, and the portrait of the ruler that Foden, a staff writer for The Guardian, draws in this novel clearly owes a debt to such descriptions.

Foden's Amin is a monster of egotism, declaring himself "the savior of Africa" and the "most powerful figure in the world." He boasts of cannibalism. He absurdly maintains, "Anything that is done in my name, it is the right thing. Any bad thing done, it is by those who are disobeying me." And when asked about atrocities committed by his soldiers, he replies, "There have been a few mistakes."

Because we see Amin in this novel through the star-struck eyes of Garrigan, however, the comic, rather than monstrous, aspects of his personality tend to be italicized. This Amin drives a red Maserati and swans about Uganda, dressed in ridiculous costumes: full Highland dress, complete with kilt, spats and brogues; or an electric-blue safari suit with a matching sombrero.

Foden's Amin captivates Garrigan, who soon admits to feeling "a sneaking sense of affection towards him." Garrigan accepts a used van from his boss, using it to drive around Kampala to visit bars and clubs. And when his affair with the British ambassador's wife fails to ignite the fire he finds comfort in Amin's philosophical words about romance.

Despite knowing that the dictator thinks "Hitler was right about the Jews," despite seeing the backed-up body of Amin's unfaithful wife, Garrigan persists in being his friend. There was, he concedes to himself, "something in me that actually liked the man, monster though he was."

Garrigan decides to leave Uganda only after Amin turns on him and has his

British passport revoked. He realizes that he has been corrupted by Amin, that he has, in a sense, become Amin, "a suppurating beast, someone with a smell of evil about his person."

Garrigan's story is presumably meant to make the point that one cannot be an innocent bystander when appalling crimes are being committed, that bystanders who ratify such acts by refusing to dissent are morally contaminated themselves. By the end of the book, Garrigan is saying, "I merely did my job," echoing those Germans who aided Hitler by shutting their eyes to his crimes. His private feelings of guilt have also given way to the conviction that he has put Amin's world "with all its blood and crazed illusions" behind him.

In the end, the reader remains mystified by Garrigan's bizarre affection for Amin in the face of so many horrors. His suggestion that his own Scottish heritage made him susceptible to Amin's claims to be the "last King of the Scots" remains absurd, as is his suggestion that Amin's charisma is nearly impossible to resist.

Worse, the comic tone of much of this novel overshadows the reality of the horrors actually committed in the Uganda of Idi Amin. Although Foden does a vivid job of describing the deplorable bodies, the mutilated corpses, the unspeakable crimes committed by Amin's henchmen, such scenes eventually become a suspenseful backdrop for Garrigan's bumbling adventures.

Midway through "The Last King of Scotland," one of Foden's characters says of Amin's antics: "It would be quite funny if it weren't for the thousands of people who are dying. All these silly larks of his, it's like pornography. If you laugh at it, you're stepping over the corpses." The same might well be said of this clever, finely written, but ultimately perverse novel.

New York Times Service

BRIDGE

By Alan Truscott

MARRIED couples very rarely win major titles, but it happened at the start of the American Contract Bridge League's Fall Nationals. The Life Master Open Pairs was won convincingly by Lew and JoAnna Stansby of Castro Valley, California, who were having their first big win as a partnership.

The final standings were: first, the Stansbys, 2652.16 match points; second, Richard Schwartz of Queens, New York, and Ron Smith of San Francisco, 2572.18; third, Dan Morse of Houston and Adam Wildavsky of Queens, 2489.1; fourth, John Carruthers of Toronto and Larry Mori of Clearwater, Florida.

A New Jersey partnership won the Life Master Women's Pair title by a wide margin. The standings were: first, Sharon Hait of Livingston, New Jersey, and Barbara Sartorius of Lake Hiawatha, New Jersey, 1340.82; second, Rhoda Walsh of Los Angeles and Shannon Lipscomb of Red Bank, Tennessee, 1279.02; third, Mildred Breed of Bryan, Texas, and Shawn Quinn of Katy, Texas, 1218.45; fourth, Paula Justl and Terry James of Columbus, Ohio, 1203.01.

Lew Stansby, who owns a large collection of world and national titles, sat West on the diagramed deal. He passed originally and made a take-out double when South opened one spade. North-South stretched their values to reach four spades, and East

had good reason to double. West led the diamond ace and continued the suit. East won the second trick and played a third round, which South ruffed. Dummy was entered with a heart to the king, and the spade nine was led. East covered with the queen; and after taking the ace, South unwisely cashed the heart ace. The spade five was led to the eight, another error, and East took the king and led the heart queen. When South ruffed and led a club, West grabbed the king and led another heart.

This forced South's last trump, and JoAnna Stansby found that her spade six had been promoted into a trick. The result was down two, for 500 points and a top score, and she was en route to her first major open title. If South

had led the spade jack instead of the five at the sixth trick, he would have been able to draw trumps at the finish and escape for down one.

NORTH			
♠ 873			
♥ K543			
♦ Q43			
♣ J7			
WEST (D)			
♠ J982		♥ Q64	
♦ A10862		♣ K77	
♣ K1083		♦ 982	
SOUTH			
♠ A J1052			
♥ A10			
♦ 85			
♣ Q54			
The bidding:			
West	North	East	South
Pass	Pass	Pass	1♠
Pass	4♠	Pass	2♥
Pass	Pass	Pass	Pass
Pass	Pass	Pass	Pass
West led the diamond ace.			

IN THIS WEEK'S ISSUE

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- Why mergers are coming to Europe
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HEALTH/SCIENCE

TOMORROW
STYLEA Tool to Fight Cancer?
Sifting Myth From Sound Advice on DietBy Jane E. Brody
New York Times Service

NEW YORK — When words like "cure" and "prevention" appear in the title of a book about a chronic, disabling or life-threatening disease, they often catch authors and publishers at the public's expense. Such is likely the case with a current best-seller, "The Breast Cancer Prevention Diet" by Bob Arnot, the medical correspondent for NBC.

The book's premise — that adopting a diet rich in soy, flaxseed and fish oils can prevent breast cancer — has been soundly denounced by breast-cancer researchers and patient advocates alike as promising something it cannot possibly deliver.

As Fran Visco, president of the National Breast Cancer Coalition, put it: "There is no breast-cancer prevention diet," and the basis for Mr. Arnot's assertion is too flimsy to warrant a radical dietary shift based on a "bet" as he put it, that it will deliver the goods.

Faced with an onslaught of criticism, Mr. Arnot now says he should have used the words "risk reduction" instead of "prevention" in his book title.

Critics say the book overextends laboratory findings that have yet to be confirmed in women, suggests dietary changes that have not been tested for long-term safety, and intimates that, counter to all rules of sound medical science, it is foolhardy to wait for definitive proof of effectiveness and safety.

Mr. Arnot is not wrong in suggesting that diet plays an important role in the prevention of cancer, including breast cancer. The American Cancer Society estimates that diet is a primary factor in a third of cancer deaths. That estimate is derived from thousands of studies of people worldwide and is supported by findings in laboratory cell cultures and experimental animals.

These studies suggest that a reorientation of eating habits — to emphasize fruits, vegetables and whole grains and minimize red meats, total fat and especially saturated fats and alcohol — can significantly reduce the likelihood of developing most of the common cancers, like colon and rectum, lung, bladder, stomach, esophagus, mouth, throat and breast.

What cannot be said is that adopting a particular diet can ensure that you won't get cancer, or that if you do, the diet will prevent the cancer from recurring.

Last year the American Institute for Cancer Research and the World Cancer

Research Fund released an analysis of more than 4,500 studies that examined the relationship between cancer and diet and exercise. The conclusion, as summarized in the current issue of Nutrition Action Health Letter: "While there are no guarantees, there is plenty you can do to cut your risk." Simply eating more fruits and vegetables, for example, can eliminate about 20 percent of cancers, the analysis suggests.

Perhaps most important is that the recommended anti-cancer diet is the very same diet that studies have shown can help to prevent and treat heart disease, high blood pressure, diabetes and obesity.

In other words, anyone who is interested in maximizing the chances of staying healthy would be wise to consider adopting a diet rich in whole grains, fruits and vegetables that are loaded with fiber, vitamins and minerals and other cancer-fighting chemicals that occur naturally in plant foods.

people has accumulated rapidly in recent years to support the protective role of plant foods against most cancers. The average American eats only about three or four servings a day of vegetables and fruits, while five servings, and preferably nine, are recommended.

Especially helpful are yellow, dark-green and orange vegetables rich in carotenoids, fruits like citrus, tomatoes and strawberries that are rich in vitamin C, and all the cabbage-family vegetables like broccoli, brussels sprouts, cauliflower, collards, kale, bok choy and mustard and turnip greens.

Such foods are linked to lower risks of lung, stomach, colon and rectum, oral cavity, esophagus and, to a lesser degree, breast, bladder, pancreas and larynx cancers.

Garlic, onions and leeks contain allicin compounds that help prevent cancer, especially breast cancer. To reduce loss of the protective chemicals, these vegetables should be cut up and allowed to stand for 10 minutes before they are cooked.

Other recent findings suggest that the risk of prostate cancer can be reduced by eating lots of cooked tomato products, including ketchup, that are rich in a carotenoid called lycopene, and foods rich in the mineral selenium, like meats, fish, grains and seeds.

Soy and Other Dried Beans: These contain plant estrogens that may be beneficial in preventing hormone-related cancers, including breast, uterine and possibly ovarian cancer. A soy-rich diet may in part explain why Asian women have a low risk of these cancers. Dried beans may also help prevent colorectal cancer. But experts say that beans are most likely to be protective when used in place of meats and when the rest of the diet is low in fat.

Whole Grains: Wheat bran in whole-grain cereals and breads is strongly linked to protection against colon and rectal cancers, probably because they speed the passage of wastes and reduce exposure of the lower gut to cancer-causing substances.

Other Helpful Foods: The list of possible dietary cancer weapons keeps growing. Among recent additions are green tea, olive oil (linked to a lower risk of breast cancer when used in place of other fats) and milk and other foods rich in calcium and Vitamin D (linked to a reduced risk of breast and colon cancer). Though the evidence that flaxseed and fish oils can protect against breast or any other cancer is still highly preliminary, many benefits are associated with fish.

A reorientation of eating habits, studies indicate, can reduce the likelihood of developing most common cancers.

A protective diet would also be moderate in animal protein and especially limited in red meats and low in fat, especially saturated fat, simple sugars and alcohol.

In contrast to the low-carbohydrate plan advocated by Mr. Arnot, such a diet is rich in carbohydrates — not sugars, of course, but the complex carbohydrates, or starchy foods, particularly in their natural, unrefined, fiber-rich state. This is also a diet that can help fight obesity, which is strongly linked to an increased risk of breast, uterine and other cancers.

The cancers most directly linked to diet are those that arise in lining tissues throughout the body, especially cancers of the colon and rectum, lung, bladder, stomach and, to a lesser extent, the breast, uterus and prostate. The following dietary suggestions are based on the strongest associations established in studies.

Fruits and Vegetables: Evidence in



Mony de Leon, research director at the Silberstein Aging and Dementia Research Laboratory, with an MRI.

Premonitions of Alzheimer's

By Marion Roach
New York Times Service

NEW YORK — Twenty years ago, my mother's mind went to battle with Alzheimer's disease and lost. Last month scientists at New York University Medical Center, in a hunt for clues to the blight of her brain, spent three days looking at mine.

It is because I survived the enormous effect of this illness in my family that I was willing to undergo this investigation. Family members of patients think of themselves as survivors. We saw the disease rage through our lives and turn children into parents, kill spouses from exhaustion and financially devastate us along the way.

But to science, we are also potential victims, statistically more at risk than others. In our brains may be a key to understanding the illness of our parents. But because of my mother, I dreaded a diagnosis: What if they found in my brain the premonitions of what happened to her?

Researchers at NYU's Silberstein Aging and Dementia Research Laboratory have spent 20 years studying the spectrum of aging, from normal five brains and healthy behavior through dementia and on to autopsy. The lab's clinical director, Barry Reisberg, developed the scales used worldwide to measure the gradual loss of abilities in Alzheimer's disease.

And so it was that this summer, while I was at the lab with a friend who was concerned about his own memory loss, that Mony de Leon, the lab's research director and an acquaintance, said he wanted to give me some tests.

Even now, the moment appears like an image in a zoom lens — a minute before I was not really there, safely detached from being back in the place I had brought my mother and attended years of family support groups.

Safely distanced from the present, as well, I walked past the freezers that line the hallways, wondering which one held her autopsied brain. I was also detached because of the enormous fear that my dear friend might have what my mother had (he does not). But then I snapped into focusing on the fact that I was sweating and stammering something to Dr. de Leon about being busy, being a mother, living upstate.

A work-up at the NYU lab, he explained, requires psychiatric, neuropsychological and memory testing, as well as thorough neurological and physical examinations and an MRI of the brain. "I want to study children of early-onset patients, in particular," Dr. de Leon said, "but I really want to have a look at everybody I can."

There are more than four million

Alzheimer's disease patients in the United States alone. It is well known what the brain of a patient looks like at death. Equally well documented are the losses of abilities that occur in a predictable way. What is not known is the mechanism that triggers the illness and when it starts.

"We know nothing about pre-Alzheimer's," Dr. de Leon told me. "Five years ago, we realized that people in their 50s were showing changes in the parts of the brain that are the gateway to all memory. What we didn't know is those changes can be seen at 30. And we never realized, until now, that we could identify who is going to get memory change years before they do."

He explained that I would be tracked for the rest of my life. Every two years I would return to NYU for a psychiatric evaluation and a physical follow-up. Every four years would be the three-day review, including the magnetic resonance image. So this, like my first

motor control. At the beginning of the second day, 14 small tubes of blood were drawn from my arm. The glucose metabolism mechanism is disturbed in Alzheimer's disease and so my glucose will also be a screening for the ApoE, or apolipoprotein, to see which type I carry. Type four is now considered a susceptibility factor for the disease, although not either causative or predictive.

The neurological exam tested more than 200 items, including language, left-right orientation, sensory perception, gait, posture and reflexes. The ophthalmologist was stroking my top lip with a plastic picnic knife. I asked him what he was looking for. "The sucking reflex," he said. Alzheimer's disease, he explained, is the reverse of normal human development.

It begins with the loss of the ability to hold a job and handle simple finances — I remembered my mother's inability to make change — and the regression continues, as patients lose the ability to dress, to control bowels and bladders, to speak five or six words, then one word, then even sit up, smile and hold up their heads. During this reversal,

reflex responses return — such as sucking.

I suddenly remembered that early in her illness, my mother made socking sounds, and poked up if her face was touched. Now I knew why.

Next came a thorough physical exam, then, in the computer lab, tests that resemble computer games, then oral exams after that, checking my understanding of idiom and literal commands. I left the lab at 4:30 p.m. It had been a long day.

The third and final day began with Marie, the tester who had seen me fail so miserably on the first day with word-pair association and paragraph recall. By computer and then verbally, my recognition and memory were gauged. Marie read me a list of 10 grocery items. I remembered 6. She read them again. I got 8. Then all 10. More computer testing. Then the grocery items again. Got 8. Studied the list. Got 10. Could I alphabetize them in my head? I could. On the first try.

Finally came the MRI. That image, compared with my test results, will give us a complete picture of who I am. The researchers will know what my brain looked like at this age and how my memory exhibited itself.

The question is how I progress. I called Dr. de Leon a week later. "Oh, I'm just sitting here looking at your brain," he said.

Silence. "Ah, Doc," I said, "how does it look?"

"Looks great," he said. "See you in two years."

I want to study children of early-onset patients, in particular, but I really want to look at everybody.

mammogram, was to be a baseline.

"I can now tell you the age of a living brain by looking at an MRI as easily as I can tell your age from your face," Dr. de Leon said. He does so by measuring the MRI images of those parts of the brain associated with memory. These days his focus is on the entorhinal cortex — which he describes as "a memory processing center of the brain that funnels information to the hippocampus" — where the first lesions of Alzheimer's disease appear.

The tests, the standard for an Alzheimer's work-up at NYU, would take three days, which I chose to do consecutively. The first day started with a psychiatric workup, which took about 30 minutes. It can take Alzheimer's patients nearly two hours. I was asked to remember three words — apple, book, chair — and to name childhood friends and teachers from grammar school. At the end of the interview, I was asked to recall the three words. I did.

I filled out an autopsy consent form and got a laminated wallet-sized card that reads "At the Time of Death" in boldface and gives instructions to call the funeral home affiliated with the study when I die, so my brain can be studied after death.

On to the Red Screen memory test. I defined 40 words accurately. But when I was told 10 pairs of unrelated words, then asked to recall the pairings, I performed dreadfully, and managed to recall only 4. I did finger-tapping exercises for speed and accuracy. Cognitively impaired people have poor

IN BRIEF

Ultrasound Exams for Breast Cancer

CHICAGO (Reuters) — Ultrasound exams can detect breast cancers that are missed by mammograms, which sometimes camouflage images of small tumors amid dense breast tissue, according to a study released on Monday.

In a mammogram, an X-ray of the breast, the glandular tissue found in dense breasts shows up as white, which can hide a small white dot that might be a cancerous tumor, said Thomas Kolb, a radiologist in New York.

Ultrasound, which uses high-frequency sound waves to produce an image, depicts cancerous spots as black against the white background of the surrounding tissue. In a presentation to the annual meeting of the Radiological Society of North America, Dr. Kolb recommended adding an ultrasound exam to the current standard of care, which consists of a mammogram followed by a physical examination by a doctor.

In a study of more than 18,000 women treated over a three-year period at his office, 40 percent, or 7,200 women, were found to have dense breasts. Younger women and menopausal women on hormone replacement therapy are more likely to have dense breast tissue, which is predominantly glandular and can produce false mammography readings.

In a separate study conducted at Virginia Mason Medical Center in Seattle, which was also presented at the radiological meeting, researchers used ultrasound exams to back up inclusive mammograms for 226 women.

The ultrasound exams were used to search for calcifications and correctly identified 20 of the 24 growths that biopsies later showed were malignant.

Did 'Ice Man' Use Natural 'Cures'?

LONDON (Reuters) — Otzi the Ice Man, the 5,300-year-old corpse found perfectly preserved in a Tirolean glacier

seven years ago, probably used natural laxatives and antibiotics, an Italian doctor says.

Since Otzi's tattooed corpse was discovered near the Austro-Italian border in 1991, researchers have contended that he suffered from arthritis, that he most likely died of exhaustion and that he had intestinal worms that could have caused diarrhea and stomach pain. Luigi Capasso, an anthropologist at the National Archeological Museum in Chieti, Italy, said Otzi probably knew about his worm problem and had a remedy close at hand when he died.

In a letter to The Lancet medical journal, Mr. Capasso said two walnut-sized objects tied to a leather thong that were found with his body were the fruit of *Piptoporus betulinus*, a fungus that has antibiotic properties.

"The discovery of the fungus suggests that the Ice Man was aware of his intestinal parasites and fought them with measured doses of *Piptoporus betulinus*," Mr. Capasso said. He propounded that the toxic oils in the fungus were probably the only remedy for his problem available in Europe at the time.

Clues About a New Planet Emerge

WASHINGTON (Reuters) — A massive planet could be orbiting a star outside our solar system, Swiss astronomers based in Chile contend.

The astronomers said they believe the planet is circling one of a pair of stars in the southern constellation Eridanus — the River. Known as Gliese 86, the star is a bit smaller and dimmer than the sun, but because it is so close in cosmic terms — 35 light years — it can be seen with unaided eyes from Earth.

The planet itself cannot be seen, but the astronomers at the European Southern Observatory's La Silla Observatory in Chile said they thought it exists because Gliese 86 is wobbling in space. They said the planet could be as massive as Jupiter, the largest planet orbiting the sun.

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INTERNATIONAL

Fears Emerge in Iran of a Campaign Against Reformers

By Douglas Jehl
New York Times Service

TEHRAN — An attack on visiting American businessmen and the assassination of a prominent dissident here have caused fresh unease among critics of the government, who say they fear a campaign of violence by conservative forces.

The same concern is being expressed by foreign diplomats, who said they suspect that the attacks — carried out on a single weekend last month — may have been staged with at least the tacit approval of conservative elements in the government.

The assaults have been condemned in strong terms by President Mohammed Khatami, a relative moderate who commands broad popular support. But the conservative figures who still wield

most power in Iran have expressed few regrets, adding to the view that the attacks may have been part of an internal power struggle.

"This shows that there are powerful forces in Iran who are not going to let their critics go unanswered," one Western envoy said. "And this is not a softie regime."

Since Mr. Khatami's election 19 months ago, the conservatives who control the Parliament, the judiciary and the post of supreme leader have battled hard to block his agenda and to silence his allies, even arresting one of his top supporters.

But the attacks, on the weekend of Nov. 21-22, are being seen by many here as marking a worrying new turn. "These events have sent a very great shock through the society," said Abbas Shayan, a critic of the government

who was close to the dissident who was assassinated, Dariush Forouhar. "They were well thought out by the government with the intention to oppress."

Among the reasons diplomats and others mentioned as cause for their suspicions of official acquiescence were the fact Iranian security forces were uncooperative in responding to reports of the Nov. 21 attack on the Americans. Their minibus was attacked by men wielding crowbars who had used their cars to block a hotel driveway as the group returned from a trip inside Iran.

None of the 13 Americans in the delegation was hurt, but many bus windows were shattered in the attack, which one well-informed diplomat described as "meticulous and precise."

An Iranian police officer ultimately escorted the Americans back to their hotel, but not before the group was left

waiting for more than an hour for a police response.

An Iranian group calling itself the Devotees of Islam has taken responsibility for the attack, saying that it was intended to discourage the renewed private contacts between Iran and the United States advocated by Mr. Khatami.

The assassination of Mr. Forouhar, and his wife, Parvaneh, who were stabbed to death in their Tehran home, has prompted a louder outcry. Mr. Forouhar, who was well-known known for his nationalist and secular views, was prominent among opposition leaders whose activities are officially banned but usually tolerated.

The Forouhar home was said by Mr. Shayan and other activists to have been under round-the-clock surveillance by the Ministry of Information, the intelligence service. They said that

surveillance cameras were known to have been trained on entrances to the home and that it would have been impossible for the assailants to have entered or left without the ministry's knowledge.

■ Journalist Banned for One Year

One of leading liberal journalists in Iran was slapped with a one-year ban on all press activities, his magazine said Sunday, as the country's press finds itself under increasing pressure from hard-line conservatives in the Islamic republic, Agence France-Presse reported.

The Iranian press court convicted Ezzatollah Sahabi, a prominent liberal and director of the monthly political and economic review Iran-e-Farda, of publishing "slandorous" material against the armed forces and banned him from writing activities for a year.

BRIEFLY

Egypt to Release Rights Activist

CAIRO — The head of the Egyptian Organization for Human Rights was ordered released on bail by the state security court prosecutor Sunday after being jailed on charges of taking foreign funds.

After a two-hour hearing, the court prosecutor ordered Hafez Abu Saada freed upon payment of \$150, a judicial official said.

"We are expecting that the release procedures will last just a few hours and that he will be freed from jail Monday morning," Mr. Abu Saada's wife said.

The rights campaigner had been detained as part of an investigation into a \$25,000 check his group had received from the human rights committee of the British Parliament. (AP)

Cuba Tries to Calm Feud With Mexico

MEXICO CITY — Cuba moved to quell a diplomatic quarrel with Mexico over the weekend, saying reporters had misinterpreted Fidel Castro when they quoted him as saying Mexicans had traded in their historic heroes for Mickey Mouse.

The Mexican Foreign Relations Ministry demanded Friday that Havana explain criticism of Mexico's relationship with the United States, which Mexico City newspapers had attributed to Mr. Castro.

The daily El Universal reported that the Cuban president had said that Mexico was turning its back on poor Latin American nations and that many Mexicans would sooner be able to say who Mickey Mouse was than name the father of their country. (AP)

Iraq Aide in Russia

MOSCOW — Deputy Prime Minister Tariq Aziz of Iraq arrived Sunday in Moscow for talks focusing on Iraq's compliance with UN Security Council resolutions in return for the lifting of sanctions.

Deputy Foreign Minister Viktor Posuvalyuk told the Interfax news agency Sunday that Russia would reiterate the "need for Baghdad's carrying out the measures detailed in the pertinent resolutions." (AP)

Vote in Nigeria Is Being Cast As a Success

By Norimitsu Onishi
New York Times Service

LAGOS — Despite widespread logistical problems, officials monitoring Nigeria's local government elections described them Sunday as a positive step toward the presidential vote in February.

Results of the elections for 774 municipal governments were still being tallied Sunday, although reports from across the country suggested that the three leading parties had performed according to expectations. Foreign monitors estimated the voter turnout at about 20 percent, a figure they described as good, given the local nature of the contests Saturday and the dismal turnouts during rigged elections under the late General Sani Abacha.

Monitors said there were few reports of violence. A notable exception was in the impoverished Niger Delta region, where 10 people were killed in skirmishes related to the elections, according to Nigerian newspapers.

The elections Saturday provided the first glimpse into how fair the presidential elections might be in a country that has been ruled by military governments for all but four years since 1966. Several organizations from the West, as well as local ones, sent observers throughout this country of 108 million to oversee ballots that were of-



President Bongo voting on Sunday.

Gabon Leader, in Office 31 Years, Wants 7 More

Reuters

LIBREVILLE, Gabon — Gabon voted in a presidential election Sunday as Omar Bongo sought to extend a run of 31 years in power with a new seven-year term.

Polling began slowly in the oil-producing nation but picked up slightly later in the day. Turnout by mid-afternoon appeared substantially lower than in the turbulent and hotly contested 1993 presidential vote.

Mr. Bongo, 63, voted in the capital, Libreville. Analysts predicted that he would win in the first round, citing divisions within the main opposition.

"I have voted. I am waiting. I'm not in the habit of panicking," the president said, trying to calm voters.

Mr. Bongo, black Africa's longest-

serving head of state after President Gnassingbe Eyadema of Togo, faced seven challengers. The main opposition National Woodcutters Rally went into the vote divided, with three candidates in the race.

One of the challengers is Father Paul M'ba Abessole of the Woodcutters, the runner-up in 1993, who led the opposition that forced a 1990 return to multiparty politics after more than two decades of single-party rule. His former deputy, Pierre-Alexandre Kombe, is one of the two other Woodcutter candidates.

The late arrival of election officials, voting materials or party representatives caused delays in many districts of the capital. State radio reported similar problems in other areas.

Some voters reported problems with their polling documents. Interior Minister Antoine M'bombou Miyakou said Saturday that most voters had received polling cards.

Voters who turned out early Sunday, mindful of election turmoil in 1993, said they wanted to vote before any rush. Supporters of Father Abessole in the 1993 election disputed that result and rioted.

Security forces were deployed heavily in the capital Sunday. Land and sea borders were closed and some shop fronts were barricaded.

The first results are not expected for a few days. Oil wealth has given Gabon's 1 million people Africa's highest average per-capita income, \$4,230 a year.

ten cast on street corners, under trees, in private homes or simply along roadsides under a scorching midday sun.

"There were some evident problems," said K. Srinivasan, the head of a monitoring team for the Commonwealth, which suspended Nigeria in 1995 after General Abacha ordered the execution of the writer Ken Saro-Wiwa. "But we did see some places that had excellent procedures that could be copied anywhere else," he said. "I'm confident that the problems will be evaluated and resolved in time for the presidential elections."

Clement Nwankwo, chairman of the Transition Monitoring Group, an umbrella organization of 45 Nigerian organizations monitoring the elections, said that he had received consistent reports from his group's 600 monitors.

"There were some problems in that there were shortages of voting material and mix-ups of voter registration lists," Mr. Nwankwo said. "But they were not considered significant enough that the elections could not be considered free and fair."

After General Abacha's unexpected death in June, his successor, General Abdulsalam Abubakar, announced that Nigeria would hold local, statewide and presidential elections each month starting in December. General Abubakar, who is not running for president, has pledged that the military will hand over power to a civilian government in May.

He created by decree the Independent National Electoral Commission to run the elections. And amid concerns of fraud — 20 million out of 60 million

voters' cards disappeared, for example — several safeguards were put in place Saturday, including sealing Nigeria's borders during voting hours.

But foreign monitors said some practices followed in the vote Saturday needed to be corrected for the presidential elections. Many officials presiding at polling stations appeared poorly trained and arrived late, the monitors said. And at many stations it was possible to see how individuals voted, because ballots were cast out in the open.

"This week's election is not a watershed," said Thomas Melia, vice president of the National Democratic Institute, which also is monitoring the elections.

"It's a time for testing. The significance of the voting will become clear

when we see what improvements are made in subsequent elections."

The Independent National Electoral Commission said it would release final results this week. But preliminary figures and reports suggested that the People's Democratic Party — a centrist party with the best-known presidential candidate in General Olusegun Obasanjo, a former president and the only military ruler to have given up power to a civilian government — had won the highest number of local seats nationwide.

Two other parties, the All People's Party and the Alliance for Democracy, were expected to muster enough votes in 24 out of the 36 states to present candidates in statewide and presidential elections. Turnout is expected to rise for those elections.

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مكتبة الأمل

Banks in Euro Zone Scramble to Give New Currency a Smooth Lift-Off

By John Tagliabue
New York Times Service

VERONA, Italy — The bank where Salvatore Bellu works is strongest in Italy's dynamic northern industrial belt, filled with mighty little multinationals, like Zanussi and Rex, washing-machine makers in Sweden's big Electrolux appliance group. Come January, Europe's new single currency, the euro, and Zanussi and Rex are under orders to do likewise.

Even though Sweden will be outside the euro zone, Electrolux, by adopting the single currency, expects to reduce costs and avoid having to hedge against currency fluctuations, all of which should pay off in increased competitiveness.

So, if Electrolux wants to pay bills in euros, or transfer funds from one bank to another, Mr. Bellu's bank, Cariverona Banca SpA, will be ready for it to do so. For two years the bank has been throwing money and people at the task of getting ready for the euro, or risk seeing lucrative customers flee to better-prepared competitors.

Cariverona is caught in a rush that is reaching a crucial stage as the date for introducing the new currency, Jan. 4, nears, pitting bankers, software specialists and consultants against the guts of a banking system that serves 290 million Europeans.

If it works, and major banks are reasonably sure it will, Europe will take a further giant stride toward overcoming traditional economic fragmentation by operating under the umbrella of a uniform monetary policy on most of the continent.

Indeed, by cutting short-term interest rates simultaneously on Thursday to a nearly uniform 3 percent, the central banks of the 11 nations that will join the euro essentially opened the door to the new era.

Of the 15 countries in the European Union, three qualify but are staying out for now: Britain, Denmark and Sweden. Greece has not met the requirements. The participants are Austria, Belgium, Finland, France, Ger-

many, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

For starters, banks in the euro countries will be required by law to keep track of day-by-day operations — deposits, withdrawals and the like — in euros as well as the local currency, and to make all bank-to-bank transfers in the new single currency.

Regular reporting to national central banks, which will function under the new European Central Bank somewhat as regional Federal Reserve Banks operate in the United States, must be in euros. And since securities markets like the stock exchanges in Paris, Milan and Frankfurt must operate in euros, the banks' brokerage units will have to be equipped for euro-denominated investments.

Thus, brokerage firms, banks and financial-service companies, spurred in many cases by euro-prone customers, are racing to get ready. Most will use the long weekend in early January to fine-tune systems for the start of business on Monday, Jan. 4.

"Sure, there will be some problems," said Mr. Bellu, who has overseen his bank's drive to the euro, with a

sign of realism. "Monday the 4th will tell us if it works."

Christian Noyer, deputy chairman of the European Central Bank in Frankfurt, said the central banking system appeared ready to go. "All the systems have been tested and retested," he said in a recent interview. "The worst has been imagined, along with the solutions."

Euro coins and bills will not be introduced until the end of 2001, but starting in January, the marks and francs and lire in circulation will simply be fixed units of the new euro, the banking system's fundamental yardstick.

And since much commerce in Europe, as in most modern economies, is conducted without cash, hotels, department stores and most other consumer-oriented businesses are moving to list prices and take payment in both euros and local currencies.

American Express will offer credit card and banking services in euros and local currencies; in January it will start selling euro traveler's checks in 21 countries, including the United States. "Early indications are that large de-

partment stores and hotel chains are ready to price in euros and accept payment," said Keith Meyrick, spokesman for the traveler's-check program in London.

For travelers to Europe, the advantage is clear. With 11 European currencies locked together in the euro, euro traveler's checks will be exchangeable for all 11 currencies at a predictable rate, reducing the need to exchange into local currencies along the way and thus the risk of losing money if the exchange rate shifts.

The biggest question for bankers is the extent to which ordinary consumers will switch to euros. Will customers want bank accounts denominated in euros, or request monthly statements in both euros and local currencies? Partly, that will depend on how soon, say, employers begin transferring salaries to employees' bank accounts in euros, or how soon landlords require that rents be paid in euros.

If given a choice, many customers do not appear eager to switch, bankers say. Recently, Paribas, the big French financial-services group, surveyed its private clients, and few even bothered

to reply, said Bruno Leresche, who heads the transition to the euro at Paribas. Customers reacted, he said, as they do to a new-model television set. "When I see my neighbor get one," he said in describing the common attitude, "I'll buy it."

Still, banks that want to be competitive are striving to be ready. They are tailoring computers and software to enable monthly statements to be issued in euros, or in a combination of euros and local currencies.

What troubles bankers much more is the euro's impact on their income, a problem not fixable with new software.

Earnings from foreign exchange, traditionally a lucrative source of profit, will dry up. Italy's banking association predicts that gross profits in the industry will drop an average 37 percent after the euro. Cariverona says it will shed 80 percent of its foreign-exchange trading.

Moreover, the fiscal belt-tightening required to qualify for the euro has led to lower interest rates, narrowing the spread between the relatively low interest banks pay on deposits and what they earn by reinvesting the deposits.

Scottish Power Holds Talks On Purchase Of PacifiCorp

By Laura M. Holson
New York Times Service

NEW YORK — Scottish Power PLC, which has been seeking an electric utility in the United States, said Sunday that it was in discussions to acquire PacifiCorp, a major provider of power in the northwestern United States.

A Scottish Power spokesman said executives from the two companies discussed a possible combination over the weekend, and while those talks could fall apart, it was expected that a deal could be announced as early as Monday.

Reacting to newspaper reports of the possible deal, the spokesman told Reuters, "ScottPower can confirm that high-level talks are taking place this weekend. But it is not cut and dried. There are still issues."

If there is a deal, it would be the first purchase of an entire U.S. utility by a foreign company.

The value of the transaction under discussion was not known. But two British newspapers, The Sunday Times and The Sunday Telegraph, first reported last month that Scottish Power was interested in buying PacifiCorp for about \$6.6 billion. PacifiCorp, which is based in Portland, Oregon, has not commented.

Scottish Power, based in Glasgow, supplies electricity to about 5 million homes in England, Wales and Scotland. It also has operations in telecommunications, water and waste services.

The company has been interested in expanding into the U.S. electricity market, which is opening to competition. It was reported to have discussed possible purchases of Florida Progress Corp. and Cinergy Corp., based in Cincinnati.

A takeover of PacifiCorp would complete a big reversal for that company, which was viewed this year as a potential buyer of a British utility. It lost a bidding war for Energy Group PLC of Britain to Texas Utilities Co. in August.

Since then PacifiCorp's stock has fallen sharply and the company has become the subject of considerable takeover speculation. Its shares finished Friday at \$20.75, up \$1.3125, their highest level in nearly three months.

Rather than try to grow through acquisition, PacifiCorp has said it will focus attention on its 1.4 million customers in the Pacific Northwest. Its subsidiaries, Pacific Power & Light and Utah Power & Light, operate in nine Western states. The company also owns an Australian utility, Powercor Ltd.



Leif Johansson, the president and chief executive officer of Volvo AB, behind the wheel of one of his cars.

Volvo Is in the Market for a Partner

By Warren Brown
Washington Post Service

WASHINGTON — Volvo AB, the world's smallest independent car company, which is renowned for making some of the world's safest cars, is looking for a partner.

But the automaker insists that its global search is not, at the moment, a quest for merger.

"One should never say 'never,'" said Leif Johansson, president and chief executive officer. "There are a number of discussions going on in the auto industry and, of course, we would take seriously any offer — or any suggestion that's being made to us."

He said Volvo would prefer to look for a partner — or group of partners — to work on joint-venture projects involving new cars, trucks and engines.

Volvo annually sells about 350,000 cars worldwide, about one-third of them in the United States, mostly on the East Coast. The company employs 79,640 people worldwide.

Volvo has been consistently profitable, though global economic turmoil is putting some pressure on earnings.

The company has responded, in part, by announcing it would lay off more than 7 percent of its work force, or 5,300 workers, by the middle of next year. The cuts are part of a plan to lower costs by \$367 million a year as it braces for increased competition in the developed

world and expansion into emerging markets.

Volvo is seeking "working-together alliances" with other carmakers to produce specific products in different geographic markets in the future, Mr. Johansson said, adding that that is what the company must do to survive in the rapidly consolidating global auto industry.

For example, according to Mr. Johansson and other Volvo officials, the company is talking with Mitsubishi Motors Manufacturing Inc. about the possibility of jointly producing small cars in the United States at a Mitsubishi plant in Normal, Illinois. Volvo and Mitsubishi Motors Corp., the Japanese parent, already work together to produce small cars in the Netherlands.

Also in the United States, Volvo has been in negotiations with Ford Motor Co. Both Volvo and Ford confirmed the talks, but neither company would discuss details.

Auto industry analysts say that there is little in Volvo's passenger-car line that would interest Ford. But the U.S. market is one of Volvo's strongest, and that market increasingly is turning to passenger trucks — pickups, minivans and sport-utility models — which Volvo does not produce.

On the other hand, Volvo, in collaboration with Volkswagen AG, is developing an expertise in fuel-efficient diesel engines, which car companies might embrace if the U.S. and other

governments start demanding that trucks meet tougher fuel economy standards.

Other Volvo filtrations include talks with Fiat SpA in Italy and, according to some sources, General Motors Corp.'s European operations. Volvo confirmed the Fiat talks but declined comment on any conversations with GM. GM officials declined to comment.

In 1994, Volvo sought to consolidate with the French automaker Renault SA. But Volvo shareholders opposed the deal, and the companies sold the last of their cross-holdings in 1997.

Volvo, which earned nearly \$1 billion in the first nine months of this year, is engaged in a logical pursuit of longevity, Mr. Johansson said, seeking to expand its reach and its life by relying on a global supply base for the vehicles it needs.

Chrysler Corp., once the smallest car company in the United States, had attempted to pursue a similar strategy — before deciding this year to become part of the largest German industrial power, Daimler-Benz AG. Now, DaimlerChrysler AG is ranked as the fourth-largest automaker in the world.

Will Volvo go the way of Chrysler?

One Volvo official, who requested anonymity, put it this way: "There is a lot of brand equity in the Volvo name, and we are confident that Volvo will survive as a brand. What the ownership of that brand will be, we don't know. That is something we're leaving to the stockholders."

China Reducing Rates For 3d Time This Year

Surprise Cut Seeks to Stimulate Spending

Compiled by Our Staff From Dispatches

BEIJING — China will reduce its official interest rates Monday for a third time this year in a surprise move that reflects Beijing's desire to bolster economic growth by stimulating consumer spending.

The cuts will average about 0.5 percentage point for loans and deposits and will take effect immediately, the official Xinhua press agency reported Sunday, quoting the central bank.

The decision to trim interest rates comes as top Chinese bankers and economic officials are meeting in Beijing for their annual conference to set new targets for the year ahead.

The move came as a surprise. Officials of the People's Bank of China said recently in London and Beijing that another rate reduction was unlikely this year.

The rate cuts "are tied to the latest round of reductions on interest rates by developed countries, giving China room to lower rates," Xinhua said. On Thursday, 11 European nations cut interest rates in a coordinated action.

The move may bolster shares of Chinese companies listed in Hong Kong and on mainland Chinese markets. Lower interest rates will reduce debt-repayment costs for companies while making investment cheaper and encouraging more consumers to spend rather than save.

The official interest rate for one-year loans will fall to 6.39 percent from 6.93 percent, while one-year deposit rates will drop to 3.78 percent from 4.77 percent, according to a report carried by state-run China Central Television.

The Xinhua report said interest rates for deposits on call and for three-month deposits would remain unchanged, while all other deposits and all loan rates will be reduced.

The central bank also will cut interest rates on reserve funds to 3.24 percent from 3.51 percent, while rates for central bank loans to financial institutions will drop to 5.06 percent from 5.61 percent, Xinhua said.

Beijing is expected to report later this month that the economy has come close to meeting the government's full-year target of 8 percent growth, registering perhaps 7.8 percent growth.

Although down from the 8.8 percent rate in 1997, growth this year has defied many forecasts, including that of the Asian Development Bank, which last month estimated that the economy would grow about 6.5 percent.

China's growth stands out in a region where many countries are facing their

first recessions in more than a decade, with at least four economies — Indonesia, South Korea, Malaysia and Hong Kong — expecting to report negative growth of more than 6 percent in 1998.

The interest-rate reductions come amid reports that Beijing intends to focus its efforts next year on deepening economic reforms rather than on seeking a higher growth rate.

"Structural reform has returned to the top of Chinese policymakers' agenda," the China Daily Business Weekly said, quoting economists. "The obsession with growth rate targets seen in 1998 is not likely to be repeated."

Still, the new round of rate cuts may suggest a shift in government strategy toward monetary measures rather than relying on budget handouts or leaning on banks to foster growth.

The importance of consumption will rise in 1999 as government efforts to bolster growth by investment spending taper off.

China last cut interest rates July 1. Besides being the third reduction this year, the newest rate cuts are the fourth since October 1997. (Bloomberg, AFP)

A Lift For Hong Kong Stocks?

Hong Kong stocks are expected to get a lift this week from a reduction in local interest rates, despite mixed signals on the health of the economy, analysts said over the weekend. Agence France-Presse reported from Hong Kong.

The region's leading banks cut their lending rates late Friday by a quarter of a percentage point for the third time in less than two months, moving to ease a credit crunch blamed for worsening the economic slump.

Analysts said the rate reduction would help breathe new life into the market, which improved by 7.25 percent last week after a meteoric rally of about 60 percent since mid-August.

But they warned against excessive optimism, saying the outlook remained uncertain.

Many predicted that the market could come back down to earth with a bump unless the economy showed clearer signs of recovery.

"It's a short-lived story," said Marshall Mays, chief strategist for Nikko Securities Co. "We are seeing a typical cycle of temporary liquidity, and the biggest factor we are working against is portfolio impatience."

Hong Kong recorded its worst quarterly performance on record in the three months to September, with the economy estimated to have shrunk by a 7.0 percent annual rate.

CURRENCY RATES

Dec. 4

Currency	Rate	Currency	Rate	Currency	Rate
Australian dollar	1.34	British pound	1.62	Canadian dollar	0.68
French franc	166.37	German mark	1.36	Japanese yen	109.17
Italian lira	2036.36	Netherlands guilder	2.20	New Zealand dollar	0.71
Spanish peseta	166.37	Swedish krona	8.48	Swiss franc	1.48
Taiwan dollar	24.63	Thai baht	54.80	U.S. dollar	1.00
South African rand	10.25	South Korean won	178.00	Chinese yuan	8.27
Indonesian rupiah	1548.00	Malaysian ringgit	3.40	Philippine peso	49.00
Singapore dollar	1.34	Malay dollar	2.36	Indonesian rupiah	1548.00
Thai baht	54.80	South Korean won	178.00	Chinese yuan	8.27
South African rand	10.25	South Korean won	178.00	Chinese yuan	8.27
Indonesian rupiah	1548.00	Malaysian ringgit	3.40	Philippine peso	49.00
Singapore dollar	1.34	Malay dollar	2.36	Indonesian rupiah	1548.00
Thai baht	54.80	South Korean won	178.00	Chinese yuan	8.27
South African rand	10.25	South Korean won	178.00	Chinese yuan	8.27

Source: Reuters. Rates are for U.S. dollars. To buy one dollar, divide by the rate. To sell one dollar, multiply by the rate. Rates are for U.S. dollars. To buy one dollar, divide by the rate. To sell one dollar, multiply by the rate.

Deutsche Telekom Sees 20,000 Job Cuts by 2000

Bonn — Deutsche Telekom AG plans to cut 20,000 jobs, or 11 percent of its work force, by 2000 to bolster competitiveness and slash costs, the chief executive, Ron Sommer, said in an interview published Sunday.

A Deutsche Telekom spokesman, Ulrich Lissek, said the restructuring was "part of an ongoing program started as part of our privatization in 1995," when the company employed 230,000 people. "We expect to have 170,000 employees in 2000 — we will reach the target," he said.

In the interview, with Bild am Sonntag, Mr. Sommer also said the company had reduced its debt by 40 billion Deutsche marks (\$23.9 billion) from 165 billion DM.

Telekom is seeking to bolster earnings as analysts estimate that rivals such as Mo-

British Outcry Over a Tax Plan That Doesn't Exist Astonishes EU Officials

By Barry James
International Herald Tribune

BRUSSELS — The European Commission is inured to the euro myths cooked up by the British press, which has accused it of imposing legislation on all manner of things from straight bananas to hair nets for fishermen.

NEWS ANALYSIS

But even the commission, the executive body of the European Union, has been taken aback by the storm in Britain over an imaginary plan for tax "harmonization" in Europe, which has included an angry debate in the House of Commons and wartime language in the popular press.

The commission president, Jacques Santer, has said that in reading certain British newspapers he wondered whether

he and they were on the same planet. On Friday, Chancellor Gerhard Schröder of Germany called British press attacks "tasteless."

The disputed was stoked last week by Mr. Schröder and his finance minister, Oskar Lafontaine, who in reply to questions conceded that EU members may not indefinitely retain a right of veto over tax decisions.

This is quite true. The entire question of unanimous voting is under question as part of a review of EU structures in preparation for an enlargement to take in as many as 11 new members.

It is generally recognized that structures designed for the original six members of the European Common Market will be totally inadequate for a community of 26.

Even now, a rule requiring unanimous votes is proving a handicap to the

smooth running of the EU.

Last week, for example, Spain rejected an anodyne measure first proposed in 1970 to allow worker participation in trans-European companies that do not even exist as yet.

Officials suspect the real reason for Spain's veto was to give it a further bargaining point in its campaign against any reduction in the subsidies it gets from the EU in negotiations on the organization's budget.

The advent of the single currency Jan. 1 will inevitably promote a degree of tax coordination among the 11 nations adopting the euro. In fact, this is provided for in the Maastricht Treaty on European Union, which has been signed by all member countries. With the European Central Bank responsible for monetary stability, fiscal policy will be the primary tool available to governments

to promote economic growth or cope with downturns.

But the kind of common taxation evoked by Fleet Street, with decisions being made in Brussels rather than London, is not remotely in the cards.

After all, Belgium, Luxembourg and the Netherlands have been members of the Benelux monetary union for half a century, and each has its own tax policy. Along the Belgian-Luxembourg frontier, gasoline is still cheaper on the Luxembourg side.

EU members, including Britain, already are cooperating on tax policy in three areas — corporate taxes, interest on savings and the elimination of withholding taxes on interest and royalty payments between associated companies.

Countries agreed in Luxembourg a year ago on a voluntary code of good

conduct on corporate taxation and said they would seek to eliminate beggar-thy-neighbor loopholes. A committee, under British chairmanship, has been working for several months to identify such loopholes, and last week it handed to finance ministers an initial list of more than 80 possible offenders.

They include, for example, offshore financial operations in Trieste, Madeira, Gibraltar and Ireland. Tax-free zones are acceptable, the commission says, provided they contribute to regional development and do not exist merely for the purpose of tax evasion.

A commission spokesman denied there was any plan to impose a minimum rate of corporation tax in Europe.

Ireland has a standard rate of 32 percent but also has a preferential rate of 10 percent for foreign manufacturers and

financial services, and this has made an important contribution to the country's economic boom.

The commission approved that setup in 1987, when Ireland lagged far behind its partners, but now opposes the measure on the grounds that it is discriminatory and contrary to the spirit of the European single market. The commission, however, has no objection to Ireland's plans to adopt a common 12.5 corporate tax rate by 2003.

Mario Monti, the commissioner for the internal market and taxation, has repeatedly said that the commission's purpose is to reduce and simplify the tax burden for individuals and corporations alike.

But EU legislation is only the tip of the iceberg. "The overwhelming majority of legislation facing business stems from member states," Mr. Monti said.

In 1997, member states notified the commission some 640 new draft rules, and that was only technical regulations for products. For its part, new legislative proposals from the commission have been reduced to a trickle.

On the question of taxing savings accounts, the commission is advocating either that countries retain a levy at the source or report income to the home governments of the depositors.

Again, Mr. Monti says this is intended to ensure the smooth operation of the single market.

It is distorting, the commission says, for any country — and Luxembourg springs to mind — to tax the savings accounts of its residents but to allow tax-free investments by depositors in other EU countries. The proposal to introduce a common system of withholding or tax reporting on investment accounts is part of a generally accepted policy in the EU to shift the burden of taxation away from labor, which is relatively immobile, to capital, which is mobile.

Although the figure of 20 percent withholding of tax on savings accounts has been mentioned, Mr. Monti said the commission had no minimum figure in mind.

Mr. Monti also insists that the commission wants taxes to be fairly spread and easy to understand.

"It is precisely by reducing tax avoidance and beggar-thy-neighbor measures, which give rise to an erosion of the tax base, that member states can reduce tax rates," he said in a recent speech.

"If you create a tax haven for a few people," he added, "you condemn the rest to a tax hell."

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Unocal Pulls Out of Group Planning Afghan Pipeline

By Steven LeVine
New York Times Service

ALMATY, Kazakhstan — Unocal Corp. has withdrawn from a consortium that planned an \$8 billion energy pipeline system traversing war-torn Afghanistan, a company executive said.

The decision was made under the pressure of low world oil prices, concern about the presence of the accused terrorist Osama bin Laden in Afghanistan and protests from feminist groups over Unocal's contacts with the Taliban, the fundamentalist Islamic movement that has taken power in the country.

Unocal also has closed its offices in three of the four Caspian-region republics

in which it operated, making it the first large foreign oil company in the world to retreat from the area.

"The biggest reason is \$12 oil," said Scott Barber, the head of Unocal's remaining regional office in Baku, Azerbaijan, referring to the approximate market price of a barrel of crude oil.

"You have to make priorities."

The moves come against a backdrop of cost-cutting and mergers in the oil industry as crude prices have plummeted.

Unocal has responded to the difficult business climate by slimming down.

Last month, the company withdrew from another consortium that had proposed a \$2.9 billion pipeline to ship natural gas produced in Turkmenistan to Turkey.

The company has also said it will cut capital spending next year by as much as \$650 million.

"There is a reassessment of activities everywhere, and especially the Caspian," said Julia Nanay, a consultant at Petroleum Finance Co. in Washington. "At oil prices at \$10 or less, how do you make money? That is the question for this industry."

Unocal's withdrawal from the Central Asia Gas consortium took effect Friday. Without Unocal, and with little prospect of another big company taking its place, the project is probably dead, analysts said.

The other consortium members are the government of Turkmenistan, Delta Oil

Co. of Saudi Arabia, Incho Corp. and Inpex of Japan, Hyundai Engineering & Construction Co. of South Korea, and Crescent Group of Pakistan.

When Unocal joined the project in 1995, it was viewed by many analysts as the most audacious gambit of the 1990s Caspian oil rush. The idea was to preempt other companies trying to solve the region's greatest problem — it is landlocked — and transport oil and gas from Turkmenistan across Afghanistan to Pakistan. Turkmenistan has the world's fourth-largest reserves of natural gas.

There was to have been a 1,600-kilometer (1,000-mile) oil pipeline and a companion 570-kilometer natural-gas pipeline, in addition to a tanker-loading terminal in Pakistan's Arabian Sea port of Gwadar. At the oil prices that prevailed until Asia's economic collapse in mid-1997, the company projected annual revenue of \$2 billion, enough to recover the cost of the entire project in five years.

While many industry officials and analysts questioned the wisdom of planning such a huge infrastructure project across a war-ravaged country, Unocal opened offices in Kazakhstan, Uzbekistan, Pakistan and Turkmenistan.

To help it sell the project to the many governments involved, Unocal hired retired prominent officials such as former Secretary of State Henry Kissinger and a former U.S. ambassador to Pakistan, Robert Oakley, as well as a Caucasus expert, John Maresca.

Problems began with the Taliban's capture of the Afghan capital, Kabul, in September 1996. Unocal initially took a positive view of the movement's triumph, but then retreated when world attention focused on the Taliban clerics' treatment of women, who are forbidden to work or attend school.

CHAEBOL: Kim Is Prepared to Order Conglomerates to Reform

Continued from Page 1

come" in South Korea's financial crisis, Kim Tae Dong, senior secretary for economic policy planning, said there were "many ways" the government could act for "corrective purposes" if the chaebol failed to behave.

"First, the creditor banks may refuse to roll over their existing debt," he said. Next, "the creditor banks can ask the chaebol to get rid of their shares of commercial banks and other financial institutions."

The president and his aides would prefer that the chaebol act "voluntarily," as they have often said, but they made clear, in meetings Sunday with executives, that time is running out for "voluntary" actions.

"The top five were allowed time for voluntary, self-directed workout," said

Sri Rani Aiyer, South Korea director of the World Bank, "but there is apparent resistance." No longer could major chaebol regard their money-losing companies as "too big to fail," he said, warning that "inaction may necessitate intervention."

The failure of the top five chaebol to act has been one of the major frustrations of the International Monetary Fund, which pieced together a rescue package of nearly \$60 billion last December. Excessive credit extended to the chaebol was one major cause for the crisis.

Hubert Neiss, Asia-Pacific director for the IMF, reserved his sharpest criticism during a visit last week for the slow pace of chaebol reform.

"A recovery is difficult to imagine without visible success in corporate restructuring," he said. "It has only started." Asked how quickly the chaebol should act,


he replied, "The faster, the better."

Just as Park Chung Hee saw no point in big companies killing each other by selling the same products, Kim Dae Jung, who spent six years in jail under Mr. Park and his successor, insists on mergers for the same reason.

By the time the meeting Monday is over, government officials said, the president hopes that the chaebol chairman will have agreed to shed 50 percent of their companies, some of them through mergers with their competitors.

What is considered to be the most obvious Big Deal would be the sale of Samsung Motor Co. to Daewoo Group, which owns Daewoo Motor Co., South Korea's second-largest motor-vehicle maker. In return for Samsung Motor, according to this scenario, Samsung Electronics Co., would acquire Daewoo Electronics Co.

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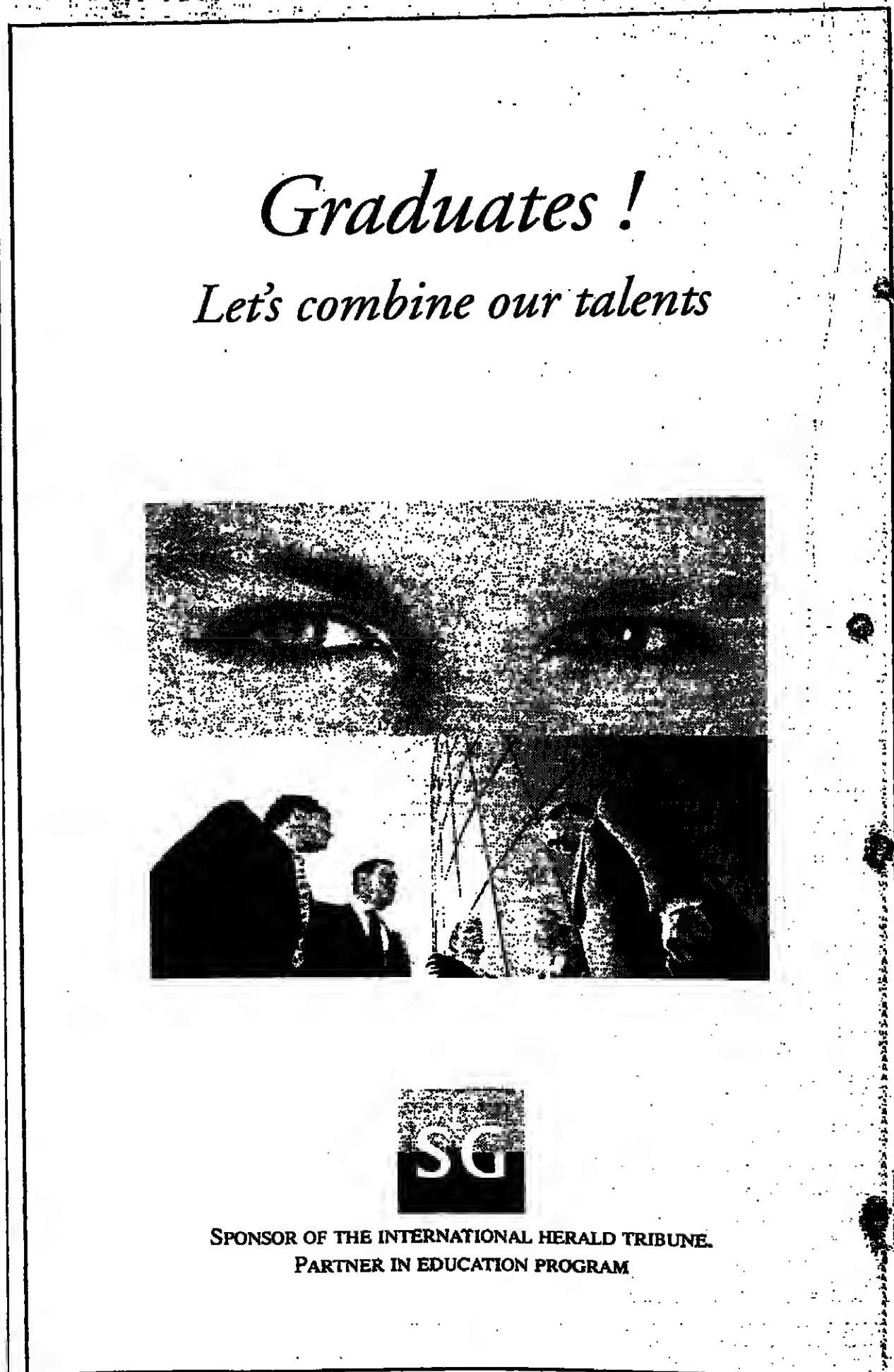
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Cautious Approach Pays Off for Bargain-Hunting Growth-Fund Manager

By William R. Long
New York Times Service

NEW YORK — When many passionate antique collectors find a prize item, they are likely to pay whatever it takes to clinch the deal — but not Brian Berghuis, manager of the T. Rowe Price Mid-Cap Growth fund, who scours the countryside and travels abroad looking for the best bargains in Federal-style chests, chairs and other furniture.

"In the backwoods of Ontario, the antiques are about half the price they are down here," he said from his Baltimore office.

That keen focus on price applies to

his stock selections, too, an unusual trait for a growth fund manager.

These days, Mr. Berghuis (pronounced BERG-hice) is happy to be running medium-capitalization stocks. "Generally, the midcap universe has companies that are growing faster, significantly faster, than large-caps, and yet the valuations are significantly cheaper," he said.

Finding stocks with reasonable price/earnings multiples is one component of his conservative approach to growth investing. But he is also wary of earnings that climb more than 30 percent a year, 12 percent to 15 percent is fine with him.

That cautious bent has not kept Mr.

Berghuis from making his name as manager of a fund that has outperformed its peer group. Since its inception in June 1992, Mid-Cap Growth returned 22.4 percent on an annualized basis through Nov. 27, compared with 15.4 percent for the average fund in its category, according to Morningstar Inc., the financial publisher in Chicago.

Mr. Berghuis, 40, selects stocks of companies with market capitalizations, or the number of shares outstanding times the share price, of \$750 million to \$5 billion. Some funds in the midcap growth category have bought large-capitalization stocks to compensate for the relative under-performance of medium-

sized companies in recent years; but Mr. Berghuis said he avoided such "market-cap creep" because "you could miss out on a surge in midcap stocks."

He is betting that such a surge will come, although he is reluctant to say when. "I think there's a very good relative-valuation story in this sector at the moment," he said.

Mr. Berghuis relies heavily on what he calls "plodders," companies whose earnings "fairly reliably grow 12 percent to 15 percent a year in a fairly low-risk way." But that doesn't mean all of his holdings are in that group. The median earnings growth rate of the portfolio has hovered around 20 percent

since the inception of the fund.

One reason Mr. Berghuis shies away from companies with much higher rates, he said, is that such gains are hard to sustain for long periods. He also tries to steer clear of momentum stocks, whose prices can surge on speculation.

"Once in a while a stock that I own may become a momentum stock," he said. "I tend to err on the side of getting out early, and sometimes when I've done that, the stocks have even doubled again after I've sold them. But it's better than being there when the music stops."

Mr. Berghuis sometimes beats the other way, buying after the momentum players leave and a stock's price falls.

An example is his recent purchase of shares in Whole Foods Market, a retailer of natural foods. Whole Foods stock fell from \$70.125 in March to \$32 in November. He started buying it at \$35 in October; it now trades at \$48.

"I think there was a lot of momentum money in that stock, and it came out over the course of a couple of months," he said.

The company sells high-quality perishable foods in nearly 90 stores, a number Mr. Berghuis estimated could triple in a few years. He estimates earnings growth at 23 percent for next year.

"I would think that the stock price will keep pace with earnings growth in the years ahead," he said. The stock is selling at 23 times its estimated 1999 earnings per share.

Another recent purchase is CIT Group Inc., a commercial lender with a market capitalization of about \$4.5 billion. Mr. Berghuis first bought the stock at \$27 in October; it closed Friday at \$29.0625, or 12 times estimated 1999 earnings per share. "If you look at where other commercial-finance companies trade, this one is at a severe discount," he said.

Mr. Berghuis said he expected 12 percent to 15 percent earnings growth at CIT over the next few years. "Here's a perfect example of sort of the lower end of the growth spectrum in the fund, the so-called plodder, but I think a fairly reliable plodder," he said.

CIT's business includes equipment financing, leasing, factoring and lending to small businesses. Many of its customers are too small to show up on the radar screens of big banks, Mr. Berghuis said, so its field becomes less competitive as banks consolidate.

Mr. Berghuis sometimes sounds like a hard-hitten value investor. One beaten-down stock for which he has high hopes is Romac International, which offers outsourcing of information technology, financial and accounting services.

"It's an out-of-favor stock in an out-of-favor sector," he said. Fears of an economic slowdown, he added, have shaken confidence in the prospects for outsourcing.

In July, Romac was selling for \$32 a share. Mr. Berghuis started buying at \$20 a share in September. Last week it was down to \$16.4375 but above its low for the year, \$11.75, reached in October. But he said he expected Romac's earnings to grow 30 percent in 1999, partly because of its acquisition this year of a similar company called Source Services.

"The blue-chip company in this sector is Robert Half International," he said. That stock trades for 25 times its estimated 1999 earnings per share. But Romac, which Mr. Berghuis said "could be another Robert Half in another few years," is trading at just 16 times its projected 1999 earnings.

Bracing for Bonus Time

Wall Street Compensation to Reflect Uneven Year

Bloomberg News

NEW YORK — Wall Street firms will cut bonuses by as much as one-half this year as a result of the plunge in stock and bond markets in the third quarter that left some large investment banks with their first losses in almost four years — but the pain will not be spread evenly.

"You are going to see a very wide disparity between the top people and the marginal people," as well as among different businesses, said Gary Goldstein, president of Whitney Group, a New York-based recruitment concern.

The biggest losers will be bond and emerging-markets traders at firms such as Salomon Smith Barney Inc., which lost a \$1.33 billion loss on its fixed-income trading in the third quarter. Those traders can expect year-end checks to fall as much as 50 percent, recruiters said.

But investment-banking stars, particularly those who advise on mergers, can look forward to paychecks of \$2 million or more, an increase of as much as 15 percent from last year.

More than 70 percent of the annual compensation of bankers and traders comes in the form of a year-end bonus that typically is based on the profits of the firm and of the employee's business group as well as individual performance.

In good years, bankers and traders split in cash. In 1997, for example, more than 3,000 of Wall Street's top employees took home year-end checks of \$1 million or more as profits surged to records. In 1998, only about half that many will be as lucky.

Typically, pay cuts used to prompt defections in the securities industry. But that is no longer true for many traders today. "A bonus this year is keeping

your job," said James Young, head of capital markets at City & County Careers in London.

Merrill Lynch & Co. dismissed 3,400 employees, many of them in its fixed-income and emerging-markets divisions, after reporting its first quarterly loss in a decade in the third quarter. Salomon slashed 240 jobs. ING Barings, CIBC Oppenheimer, Donaldson, Lufkin & Jenrette Inc. and Bear Stearns Cos. also laid off people.

Goldman, Sachs & Co. and Morgan Stanley Dean Witter & Co. are to hand out bonuses in the next 10 days because their fiscal years ended in November. Executives at Credit Suisse First Boston and Salomon, which are on a calendar year, will take their cues from Goldman and Morgan Stanley.

Through the first seven months of this year, last month, the way to their best year ever. Then Russia defaulted on some debts in August, triggering a plunge in corporate and emerging-market bonds that left the U.S. securities industry with a \$117 million loss in the third quarter.

Goldman's trading losses battered its bonus pool and stripped the firm of an even bigger payoff: its planned initial stock sale, which would have given some partners shares worth as much as \$100 million.

Goldman and Morgan Stanley are expected to cut the bonuses of fixed-income traders by as much as 50 percent, a person familiar with the firms said.

Morgan cut 60 jobs in its bonds division, or 4 percent of the unit's work force, last month.

CSFB, which saw Russian trading losses slash about \$250 million off its first-half profit, is also likely to lower bonuses in its bond unit by as much as

Asset Management Expands in Taiwan

Bloomberg News

TAIPEI — Units of Citigroup Inc. and ING Groep NV have received permission to set up asset-management businesses in Taiwan, allowing them to sell funds in the most active equity market in Asia.

Securities and Futures Commission officials have granted "preparatory licenses" to the two companies, a commission official said.

The two will join 27 existing fund managers in trying to penetrate a market where equity ownership is widespread but interest in mutual funds remains less common.

The equity market in Taiwan is the most active in Asia in terms of trading value, with an average of \$95 billion Taiwan dollars (\$2.94 billion) of shares trading hands each day during the past six months.

Most investors buy shares directly, but that hasn't stopped mutual funds from proliferating. Licensed funds in Taiwan include 108 open-end equity funds, 15 closed-end equity funds, four balanced funds, 57 open-end bond funds and 25 funds that invest offshore.

"The business is very competitive," said Brian Tsou, marketing manager at Grand Pacific Securities Investment Trust Co.

50 percent, according to The Wall Street Journal. The firms declined to comment on bonuses.

There is one bright spot: Bankers who specialize in mergers are likely to get raises, because corporate takeovers are up 78 percent from a year ago.

Because the decline in markets halted underwriting for several weeks, however, bonuses in equities and corporate finance probably will be little changed or down about 25 percent from last year.

Riding a New Wave of Mergers

For Stockholders, Bigger May Not Mean Better Returns

By Gretchen Morgenson
New York Times Service

NEW YORK — They've only just begun to merge. That's the view of many market watchers after an extraordinary week of corporate combinations.

The 78 deals announced in the first four days of December had a value of \$89.9 billion, almost as much as was generated during all of November.

Analysis says that the same economic factors driving Mobil Corp. into the arms of Exxon Corp. — and Bankers Trust Corp. to join with Deutsche Bank AG — cut across many industries today. So more and more deals tomorrow are a certainty.

The biggest factor is excess capacity, which is affecting banks, retailers, computer makers and producers of commodities like steel, paper and chemicals. When too many goods chase too few consumers, combining corporate forces and turning off some of the supply spigot is a natural response. Excess capacity has driven merger booms before. A century ago, price declines similar to the ones seen in this decade created a wave of corporate consolidations that turned 1,800 companies into about 150.

While increased merger activity may right the supply-and-demand scales in some industries, megamergers are not necessarily good news for shareholders. The fact is, most deals are bad news for shareholders, because the combined company's stock usually underperforms its peers long afterward.

Such are the findings of Mark Sirower, a professor of mergers and acquisitions at New York University's Stern School of Business. Mr. Sirower is the author of "The Synergy Trap: How Companies Lose the Acquisition Game," published in 1997.

Studying 168 deals among large public

companies in the 1980s and an additional 100 combinations valued at more than \$500 million apiece from the 1990s, Mr. Sirower found that roughly two-thirds left shareholders relatively worse off.

For example, a portfolio of the 100 major acquisitions completed from 1994 to 1997, with each stock bought five days before the relevant deal was announced and sold five days after, would have produced returns that lagged behind other companies' in the merging entities' industries by an average of 2 percentage points.

What about the longer-term performance of the merged companies? The numbers are similar. Indeed, the loudest message from Mr. Sirower's research is that investors' initial reaction to a merger turns out to be uncannily prescient.


"The market is a pretty good predictor of what we'll see a year later, or even four years out," Mr. Sirower said.

He reached this conclusion by splitting the merged companies into two portfolios: those whose shares went up when deals were announced and those whose stock fell. One year later, the positive portfolio was still positive and the negative still an underperformer.

Mr. Sirower hastened to add that these figures were averages, and that some deals that initially displease investors can and do turn around later. But the consistency of the market's mood on these combinations is remarkable. Almost 60 percent of those companies whose stock began in positive territory stayed there, while 67.3 percent of those whose stock hit the skids early remained down.

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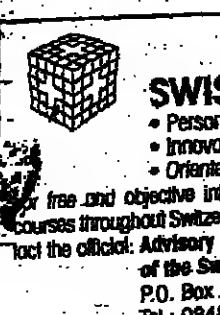
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DAVE COVERLY

SPORTS

In Quest for Fiesta Bowl, 2 Giants Are Felled and One Still Stands

Miami Thwarts UCLA Drive to Triumph, 49-45

By Steve Harrison
Washington Post Service

MIAMI — UCLA had covered for its defensive deficiencies so many times this season that even when Edgerrin James of Miami made a five-yard touchdown run with 50 seconds left to give his team a four-point lead, it seemed the No. 3 Bruins could find a way to preserve their undefeated record.

Suddenly trailing, 49-45, their quarterback, Cade McNown, led them to Miami's 29-yard line. Then they ran out of miracles.

McNown's final pass sailed through the end zone as time expired Saturday, taking with it a school-record 20-game winning streak and probably a chance to win the national championship.

As the UCLA wide receiver Brian Puli-Dixon threw his helmet in disgust after the final play, Miami fans and players stormed the Orange Bowl field, celebrating the Hurricanes' return to glory. On Nov. 28, the Hurricanes lost the Big East Conference championship in a 66-13 rout at Syracuse. Against UCLA, they set a school record for yards gained in a game (689). The most yards any opponent had gained against UCLA until Saturday were the 600 racked up by Nebraska in 1983.

"We just couldn't get them stopped," said Bob Toledo, the UCLA coach, whose team fell despite gaining 670 yards, a school-record 513 of them on passing by McNown, who threw for five touchdowns and ran for one.

UCLA entered the game ranked 91st in total defense among 112 Division I-A teams, but it had remained undefeated by beating Oregon in overtime, holding on to a four-point triumph over Stanford by forcing a fumble at the 1-yard line and then repelling Oregon State on a 61-yard touchdown pass with 21 seconds to play. But Saturday, UCLA couldn't hold a 38-21 lead. And it couldn't stop James, who rushed for 299 yards.

Miami's upset was not only a testament to James' running, but also to Scott Covington's passing. The quarterback completed 19 of 28 throws for 318 yards and three touchdowns.

The Bruins led, 45-42, with 3 minutes, 24 seconds remaining, when McNown completed a third-and-eight pass over the middle to Brad Melsby, who fumbled after being hit. The Miami safety Delvin Brown recovered on the Hurricanes' 26. Eight plays later, James scored the winning touchdown.

Trailing 21-17 at halftime, UCLA roared back in the third quarter, scoring on touchdown passes of 14, 61 and 59 yards for a 38-21 lead.

With the game slipping out of reach, Miami stayed with its game plan: Run James often and throw occasionally. James carried three times for 57 yards before Najeh Davenport capped an 80-yard, four-play drive with a 23-yard touchdown run with 18 seconds left in the third quarter.

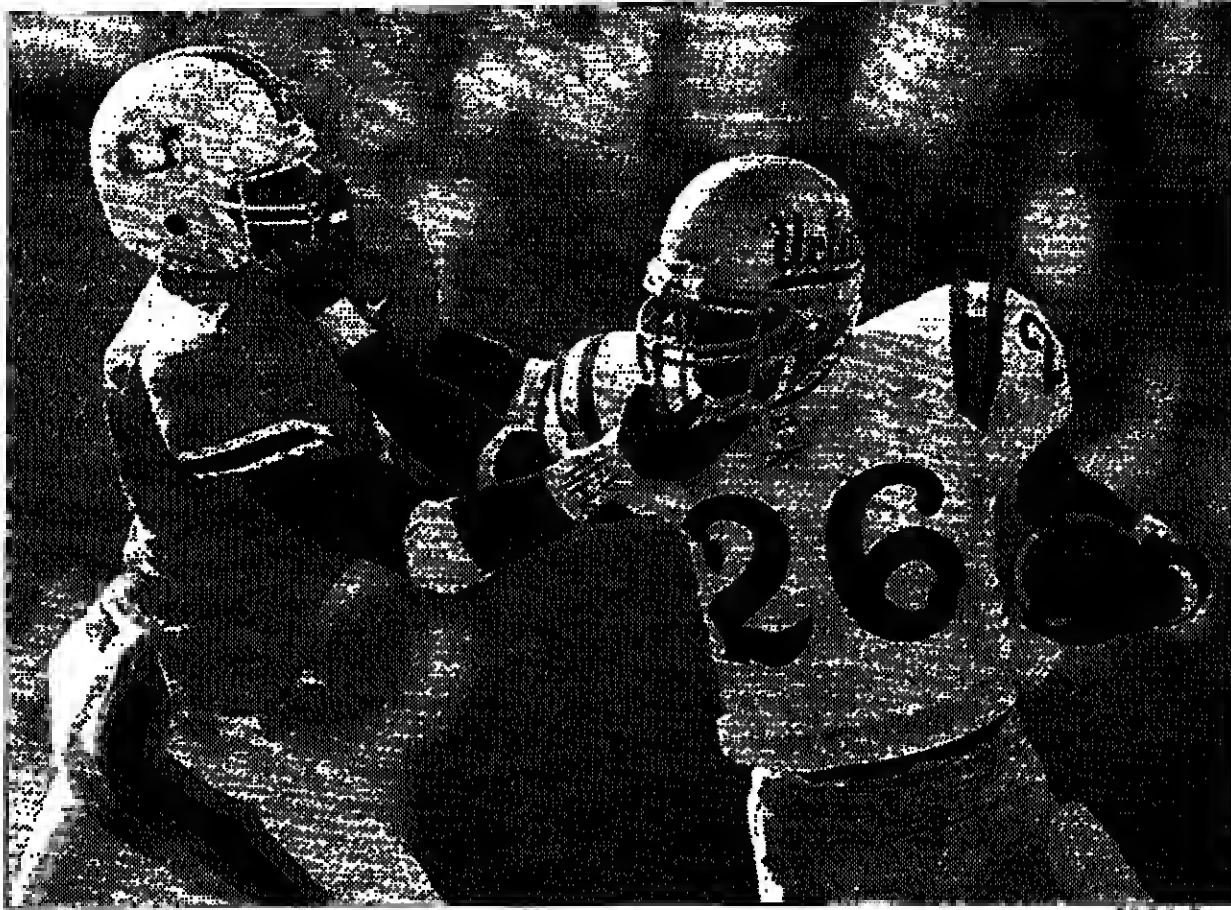
After Miami recovered a UCLA fumble, Covington hit the wide receiver Santana Moss for a 71-yard touchdown that cut the lead to 38-35. But UCLA came back when McNown finished a five-play, 87-yard drive with a one-yard touchdown run with 6:54 left. UCLA led 45-35.

But Miami countered when Covington threw a 29-yard touchdown pass to Mondriel Fulcher with 6:08 left. With UCLA protecting a 45-42 lead, McNown threw to Melsby, whose fumble set the stage for James.

In other major college games, The Associated Press reported:

Army 34, Navy 36 In Philadelphia, the 99th game between the service academies was marred by the collapse of a railing at Veterans Stadium. The accident, which injured nine fans, occurred after a 70-yard touchdown run by Ty Amey gave Army a 31-30 lead in the highest scoring game in the history of the series.

Air Force 20, BYU 13 In Las Vegas, Air Force shocked Brigham Young with a 59-yard touchdown pass late in the fourth quarter in the Western Athletic Conference championship.



Miami's Al Blades, left, and UCLA's DeShaun Foster grabbing one another's face masks in the second quarter.

Tennessee Rallies to Stay Undefeated

By Ken Denlinger
Washington Post Service

ATLANTA — Tennessee scored two touchdowns in a 28-second span in the fourth quarter to overtake Mississippi State and win the Southeastern Conference title.

The 24-14 victory Saturday kept the Vols unbeaten and ensured their place in the Fiesta Bowl, the game that is designed to decide the U.S. college football champion.

The Vols defense was exceptional, and Tee Martin, the Tennessee quarterback, threw touchdown passes of 41 yards and 26 yards in the fourth quarter. The Tennessee defense did not give up any points, with Mississippi State scoring on an 83-yard punt return by Kevin Prentiss and a 70-yard interception by cornerback Robert Bean. Prentiss's dash down the left sideline put the Bulldogs ahead, 14-10, with 8 minutes and

33 seconds left. That's when Martin and his receivers became heroes. First, the Vols drove 75 yards with Martin flinging the ball high and true toward the aptly named Peerless Price from the 41. The cornerback Alesola Badon was stride-for-stride with Price, but Price outleaped him in the left corner of the end zone and kept his right foot inbound to give Tennessee the lead for good, 17-14, with 6:15 left.

The Volunteers beat Auburn for the SEC title last season, but were beaten by Nebraska for the national championship in the Orange Bowl. Tennessee has not won a national championship since 1951. That team was 10-0, but lost to Maryland in the Sugar Bowl.

After Price's touchdown, Tennessee recovered a fumble by the Mississippi State quarterback, Wayne Madkin. Shortly after, wide receiver Cedrick Wilson broke free in the end zone and

Martin was on target from 26 yards out.

The Bulldogs took the lead first, 7-0, after a weaving 70-yard interception return by Bean at the end of the first quarter. Bean tipped the ball, then controlled it after it seemed to bounce off his right leg. From his 30, Bean ran toward the right sideline, cut across to the left sideline at about the Tennessee 45 and sidestepped a Volunteers lineman near the 10 before skipping into the end zone. Brian Hazelwood kicked a 35-yard extra point because the Bulldogs were called for a personal foul.

Tennessee struck back after an interception and tied the score midway through the second quarter. Free safety Deon Grant caught an underthrown pass by a pressured Madkin and returned it 24 yards to the MSU 20. Martin completed an eight-yard pass on third and three and the tailback Travis Stephens soon dove in from the 2.

Texas A&M Stuns Kansas State With TD Pass in Double Overtime

By Joe Drake
New York Times Service

ST. LOUIS — A slant pass in the second overtime from a second-string quarterback to a second-team running back shuffled the rankings in the Bowl Championship Series.

As it turned out, a stiff-arm at the one-yard line will keep Kansas State out of the national title game at the Fiesta Bowl, not penalty points for strength of schedule.

Texas A&M beat Kansas State, 36-33, Saturday on an emotional day in college football.

The Wildcats lost more than the game and more than the Big 12 championship. They lost their unbeaten season and the chance of playing in the Fiesta Bowl for the national championship.

On Sunday, they dropped to fourth place in both the USA Today/ESPN Coaches poll and The Associated Press poll, both components of the Bowl Championship Series equation. UCLA fell to fifth in the coaches' poll and sixth in the AP poll. Florida State climbed to second in both polls and will play No. 1 Tennessee in the Fiesta Bowl.

Ohio State, which climbed to third in both polls, will play Texas A&M in the Sugar Bowl, UCLA will play Wisconsin in the Rose Bowl, and Florida will play Syracuse in the Orange Bowl. Saturday's defeat dropped the Wildcats out of the major bowl picture.

Kansas State lost when Brannon Stewart — a senior quarterback whose football odyssey has taken him from the backup role behind Peyton Manning at Tennessee to a benching earlier this season at Texas A&M — hit Sir Parker on the 28-yard line in double overtime in the Big 12 championship game.

Parker, an Aggie senior, zigged inside cornerback Jerametrius Butler, then zagged out to the corner. Next, he delivered a punishing push to the face of the Wildcats' Lamar Chapman and powered over the goal line.

Parker earlier caught a pass on the same pattern to bring the Aggies within 27-25 in regulation, then caught the two-point conversion to send the game into overtime.

Kansas State was ahead by 14 points with 10 minutes, 37 seconds left in the first half when the public-address announcer informed the more than 60,000 people — most of them dressed in the purple of Kansas State — at the Trans World Dome that UCLA had lost. It came seconds after quarterback Michael Bishop had heaved a 66-yard bomb to

Darnell McDonald. The crowd roared. The Kansas State players beamed smiles and slapped high fives. They had come into this game ranked third in the Bowl Championship Series and needed either Tennessee or the Bruins to lose. They celebrated. The Aggies steamed. Neither state of mind lasted long.

The Wildcats outgained Texas A&M, 519 yards to 452, but racked up 110 yards on penalties and turned the ball over three times. The biggest was on third down with 2:22 left in the game. Bishop, who threw for 341 yards and two touchdowns and ran for another, appeared to pick up the first down that would have allowed the Wildcats to run out the clock, but linebacker Warrick Holdman knocked the ball loose, and Cornelius Anthony recovered on the 35-yard line.

Stewart, who was replacing an injured Randy McCown after losing his job to him after the fifth game of the season, slung a sidearm pass down the field to a streaking Matt Bumgardner. He lunged for the ball and caught it on the 14-yard line.

"It's very evident that we are tremendously disappointed," Kansas State's coach, Bill Snyder, said after the game. "This is a big hurt for our coaches, players and fans. I have so much pride in the players and fans." Then his voice cracked, and he cried.

THE AP FINAL TOP 25

The 25 teams in Associated Press final regular-season college football poll, with 1st-place vote in parentheses, records through Dec. 5, total points based on 25 points for 1st place vote through 1 point for 25th place vote and ranking in previous poll.

Rank	Team	Record	Points	Rank
1	Tennessee	11-1	1,671	1
2	Florida St.	11-1	1,671	2
3	Ohio St.	10-1	1,602	3
4	Kansas St.	11-1	1,476	4
5	Air Force	11-1	1,412	5
6	UCLA	10-1	1,398	6
7	Florida	9-2	1,377	7
8	Texas A&M	11-2	1,370	8
9	Wisconsin	10-1	1,276	9
10	Tulane	11-1	1,067	10
11	Auburn	9-2	966	11
12	Georgia Tech	9-2	874	12
13	Virginia	9-2	817	13
14	Nebraska	9-2	815	14
15	Nichigan	9-3	793	15
16	Air Force	11-1	699	16
17	North Carolina	9-2	666	17
18	Syracuse	8-3	610	18
19	Georgia	8-3	478	19
20	Texas	8-3	442	20
21	Oregon	8-3	322	21
22	Penn St.	8-3	291	22
23	Missouri	7-4	285	23
24	Miami	8-3	199	24
25	Mississippi St.	8-4	129	25

Others receiving votes: Virginia Tech 104, Southern Cal 94, West Virginia 38, Utah 21, Hawaii 15, Miami, Ohio, Kentucky 5, Brigham Young 1.

Leafs Defeat Canadiens as Czech Rookie Gets OT Goal

The Associated Press

There's nothing like the rivalry between the Toronto Maple Leafs and Montreal Canadiens. Ask Toronto's Tie Domi.

"Everyone gets excited for these games and the players feed off that," Domi said after scoring the tying goal and watching Tomas Kaberle blast in

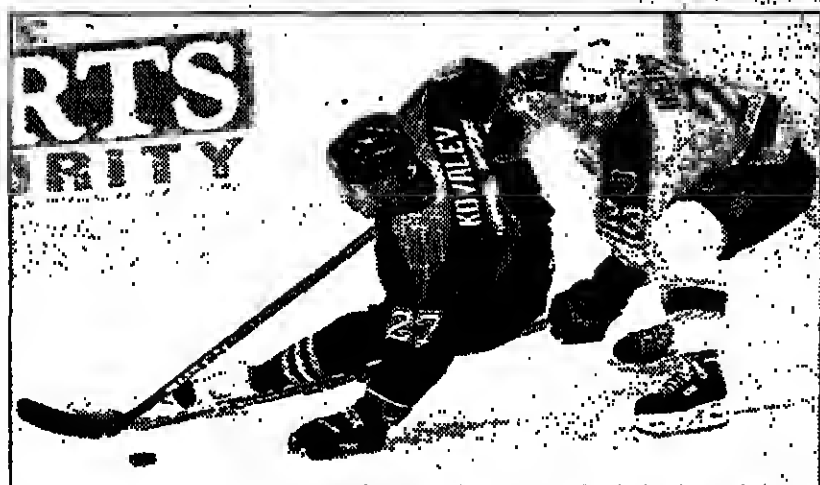
NHL ROUNDUP

the winner at 34 seconds of overtime as the Maple Leafs won, 4-3, in Montreal, on Saturday night.

Kaberle, a rookie from the Czech Republic, blasted the puck past Jeff Hackett to give the Maple Leafs their third victory in a row.

Domi tied the game with 2:20 left in regulation when a rookie defenseman, Brett Clark, lost the puck at the Montreal blue line, allowing Darby Hendrickson to shoot and Domi to slide the rebound past Hackett.

Martin Rucinsky had given Montreal the lead at 7:22 of the third period on a soft wrist shot from the left side that got



The Bruins' Steve Heinze, right, chasing the Penguins' Alexei Kovalev.

past Curtis Joseph. Shayne Corson and Patrick Poulin also scored for slumping Montreal. The Canadiens have won only two of their last 12 games.

"There's a fine line between winning and losing and we've been finding ways to lose," said Mark Recchi, Montreal's acting captain.

Montreal outshot Toronto 28-26.

"When things are going good, you have to enjoy it," said Mats Sundin, the Maple Leafs captain. "We found a way to win against Ottawa last week and we did it again tonight."

The first of five meetings between the Maple Leafs and Canadiens, reunited as Northeast Division rivals this season, drew a sellout crowd of 21,273, in-

cluding many wearing Maple Leaf jerseys.

Rangers 2, Senators 1 Todd Harvey and Niklas Sundstrom each scored first-period goals as the New York Rangers won in Ottawa for their fourth straight victory.

Coyotes 3, Flames 2 Greg Adams's fifth goal in his last six games gave Phoenix a victory in Calgary. Nikolai Khabibulin only had to make 16 saves as he improved his career record against Calgary to 10-1-1. The Flames have lost six of their last eight games.

Red Wings 4, Kings 3 Steve Yzerman and Brendan Shanahan scored 25 seconds apart during a three-goal first period and Tomas Holmstrom scored the go-ahead goal early in the third as Detroit won in Los Angeles.

Panthers 3, Hurricanes 3 Ray Sheppard, a former Panther, scored his ninth goal in his last 11 games and added an assist on the game-tying goal to lift Carolina to a tie in Florida, extending the Hurricanes' unbeaten streak to six games.

Avs 4, Blues 1 Claude Lemieux scored a power-play goal with 4:50 remaining and Joe Sakic had an empty-net goal as Colorado won in St. Louis to move to the .500 level for the first time this season.

Sabres 3, Predators 1 Brian Holzinger scored the winning goal with 5:13 left and Dominik Hasek made 36 saves as Buffalo won in Nashville for its fourth straight victory.

Bruins 2, Penguins 1 In Boston, Shawn Bates scored his first goal of the season and assisted on another as the Bruins extended their unbeaten streak to seven games with a victory over Pittsburgh.

Devils 7, Islanders 5 New Jersey got goals from seven different players — and needed them — as it hung on to win on Long Island.

Jason Amott, Krzysztof Oliwa, Bobby Holik, Brendan Morrison, Dave Andreychuk, Petr Sykora and Patrick Elias all scored for the Devils.

Flyers 4, Capitals 1 In Philadelphia, Rod Brind'Amour scored two power-play goals and Ron Hextall made 22 saves as Philadelphia's beat Washington. It was the fourth loss in the last five games for last season's Stanley Cup finalists.

CROSSWORD

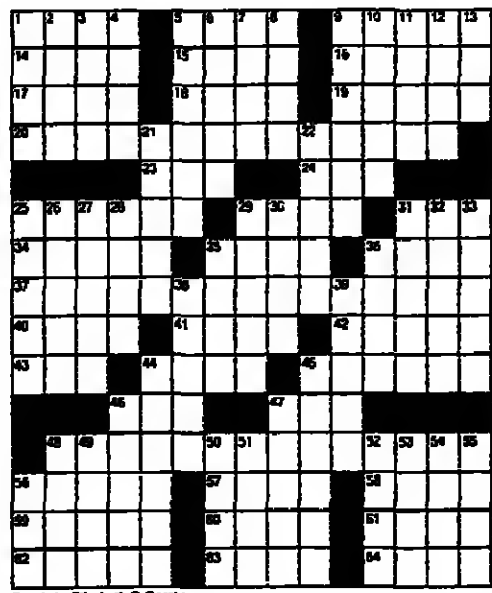
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After Free-Agent Frenzy, Hot-Stove League Warms

Baseball Readies for Revived Winter Meetings

By Murray Chass
New York Times Service

NEW YORK — In the span of three days, 35 free agents signed contracts worth \$225 million, and there went the winter meetings. This was in December 1992, in Louisville, Kentucky, and the free-agent frenzy sent officials home reeling. Never again, they said, vowing not to provide agents with that kind of opportunity.

But the agents have not suffered in the absence of the winter meat market. In just one recent week, five free agents signed contracts worth a total of \$330 million. Inflation and escalation contributed to the cascade of dollars, but clubs proved they did not have to be a captive audience to spend lavishly.

Perhaps most interesting about the signings of Mo Vaughn, Bernie Williams, Randy Johnson, Albert Belle and Rafael Palmeiro was that the agents did not wait for the return this week of the winter meetings to stir up another feeding frenzy.

Yes, the meetings are back, six years later, officials having decided that enough time had passed to make it safe to go into the water again.

The one thing the sport could always count on was that the meetings would generate a week's worth of talk about baseball. Teams would make trades that would command huge amounts of newspaper space and television time, and even if they did not complete player swaps, speculation about possible trades would serve the same purpose.

Without the meetings, general managers became accustomed to making deals before December, and this year, players like Bobby Bonilla, Charles Johnson, Todd Hundley, Ron Gant, Bret Boone and Denny Neagle have already been traded. Roger Clemens will join that group if the Toronto Blue Jays meet their own timetable.

That is not to say that general managers will not find trades to make at these meetings, which will begin Friday in Nashville and run through Dec. 15. When they gather in one place, general managers spend most of their time talking with each other — in pairs, of course — as they feel each other out to determine whether they have a match for a trade. But there is always far more talk and speculation than business conducted.

Some clubs may not have any business to conduct at the revival meetings. Assuming Clemens is traded before Nashville, the New

York Yankees figure to be observers. They have already had a solid off-season because they have kept their World Series championship team together while their chief competitors have stumbled and bumbled their way out of contention.

If the New York Mets sign Rickey Henderson in the next few days to be their leadoff hitter and left fielder, they will join the Yankees on the sidelines.

The Mets have had a good off-season because they retained the players they wanted to keep (Mike Piazza, Al Leiter, Dennis Cook) and they have added two run producers (they hope) in Robin Ventura and Bobby Bonilla, and a hard-throwing relief pitcher, Armando Benitez, who someday could grow into John Franco's closing role.

The Arizona Diamondbacks have had a good and expensive off-season, adding six free agents, including Randy Johnson, Todd Stottlemyre and Steve Finley (to be announced), but committing about \$119 million doing it. If the dollars do not translate into vast improvement, the expansion team will be viewed as the epitome of excess.

Some teams have had a dreadful six weeks since the World Series.

The San Diego Padres, who played in the World Series, have lost their third baseman, Ken Caminiti, and their centerfielder, Finley, and are on their way to losing Kevin Brown, their No. 1 pitcher. The Chicago White Sox have lost Belie and Ventura, who drove in 28 percent of their runs last season.

For awful offseasons, though, who can match Baltimore? The Orioles have signed Belle, B.J. Surhoff and Delino DeShields, but they failed to sign three free agents they wanted, Ventura, Brian Jordan and their own Palmeiro. Roberto Alomar and Eric Davis also departed as free agents.

The Orioles, though, at least had various plans. The Boston Red Sox incredibly let Vaughn walk away without having a reasonable alternative plan in mind. They tried to sign Williams as Vaughn's replacement in their lineup, but they had to know he would be a long shot at best, and they had no clue where to go. Once Williams took the Yankees' \$87.5 million instead of theirs.

The Orioles and the Red Sox have been reduced possibly to going head to head for Will Clark, to fill the holes at first base, but the diminished Clark will not replace Palmeiro's 43 home runs and 121 runs batted in. Vaughn's 40 and 115.

But anything is possible.

SPORTS

Marathon Won By Takahashi of Japan at Opening Of Asian Games

BANGKOK — Naoko Takahashi of Japan won the first gold medal of the Asian Games on Sunday with a time of 2:20:47, the fastest ever for a woman's marathon.

Hours before King Bhumibol Adulyadej of Thailand officially opened the games, Takahashi, a 26-year-old runner, broke the Asian record and smashed her personal best by four minutes. She ran almost the entire distance on her own, with only commuter traffic on adjoining roads for company.

Kim Chang of North Korea, 13 minutes behind, took the silver in 2:34:55 after outpacing Tomoko Kai of Japan over the final 200 meters.

For much of the race, Takahashi was on schedule to beat the world record of 2:20:47, run by Tegla Loroupe of Kenya in much better conditions in April in Rotterdam. But as the marathon went on, humidity climbed to around 70 percent and temperatures were near 30 degrees centigrade (86 degrees Fahrenheit).

Yoshio Kido, Takahashi's coach, said, "I told her to keep the pace down because it was hot, but she answered she was going to run at her best pace. Her strong point is, she never likes running alongside or behind other runners."

Elsewhere, there were problems in the snooker hall. James Wattana, a world-ranked Thai player, lost five frames to one in the first round to Chan Kwok-wing of Hong Kong. The event's organizers had such confidence in Wattana that the schedule had been arranged so that Prime Minister Chuan Leekpai might present him with the gold medal.

The old-fashioned etiquette of snooker was breached in the game between Wattana and Indian and Pakistani player. It was interrupted by a 15-minute argument. Wattana won the game, 5-4.

A Thai referee decided that Wattana had committed a foul during the final frame, prompting several members of the Indian team to go to the playing area to argue. One wrote a quick protest letter using the snooker-table as a writing platform.

"It does not look nice for grown-up men wearing neckties to 'fight,'" said Shah Nawaz Khan, the Pakistani team manager.



Naoko Takahashi of Japan winning the marathon Sunday at the Asian Games in Bangkok.

Nightlife a No-No for Athletes

BANGKOK — For some teams, "out of bounds" at the Asian Games means more than just a line on a soccer field or basketball floor. That's because the host city offers a nightlife scene that officials from various nations fear will tempt their athletes and distract them from the business at hand.

The Pakistanis say all of their athletes and officials at the games have been told not even to think of "nightlife ideas." The Indian team's solution is mandatory meetings for all athletes before bedtime. The Sri Lankan participants, who had to sign a code of conduct before coming to Bangkok, are being watched by a military officer.

Bangkok is known for its titillating night life and bar district, known as Patpong. From taxi drivers to local tourist magazines distributed free at hotels, there are messengers aplenty to advertise massage parlors and escort services.

Estimates of the number of female sex workers in Thailand, a country of 60 million, range from 300,000 to 2 million.

"No way," said Gurdial Singh Mander, the leader of the Indian contingent, when asked if there was a risk that his athletes might yield to temptation. "I believe no one will try anything silly in Bangkok."

Even if they try, our watching system is watertight and we will know."

Mander, a former police officer, said Indian officials meet the country's athletes at 10 P.M., just before their bedtime at the Asian Games village.

The Pakistanis have opted for trust and nationalism. A Pakistani medical officer, Yousaf Baig, said: "We have told them, 'Don't break our trust. Keep the good name of Pakistan flying high.'"

China has taken a similar approach. "We don't treat them as kids, telling them don't do this, don't do that," said Li Fuming, deputy head of the Chinese delegation. "We just told them to leave a good impression of Chinese athletes."

For the Sri Lankans, "Even if they want to go to shopping, one of us will accompany them," said Upali Bandaranaike, a brigadier in the Sri Lankan Army.

Thailand, meanwhile, is stressing that sex isn't lurking around every corner. A "Traditional Thai Massage Parlor" has been opened at the village where the athletes stay.

"That traditional massage is considered an art form," said Praporn Laovanich, secretary of the Asian Games subcommittee for culture and performance. "A skilled masseur can cure ailments and muscular fatigue."

Late Goal Gives Newcastle Draw With Middlesbrough

Colin Cooper's deflected shot in the 90th minute.

On Saturday, Julian Joachim scored in the 74th minute to keep Aston Villa on top of the English Premier League.

The late goal by Newcastle United, which stayed in second place, Paul Scholes had given United the lead.

Leeds United beat West Ham, 4-0, to vault into third place. Arsenal, the defending league champion, drew 0-0 with Derby and is now in fourth place.

Chelsea stayed unbeaten since the opening day of the league season with a goalless draw at Everton after both sides were reduced to 10 men. Dennis Wise of Chelsea, who has just returned from suspension, was sent off, along with an Everton defender, Richard Dumas.

Newcastle leveled in the 38th minute with a powerful drive from Laurent Charvet. Middlesbrough regained the

lead with Colin Cooper's deflected shot in the 90th minute.

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England's Forwards Dominate Springboks

13-7 Loss Keeps South Africa From Record

By Peter Berlin
International Herald Tribune

LONDON — South Africa had to settle for a share of rugby union history after it lost to England at Twickenham.

The Springboks, who had won 17 consecutive internationals, needed to beat England on Saturday to break the record set by the New Zealand All Blacks from 1965 to 1969. Instead, England won, 13-7, leaving South Africa half a record.

It is a measure of how much international rugby has changed that while the All Blacks took more than four years to set the record, the Springboks equaled it in 16 months.

During that time Louis Luyt, a bombastic Afrikaner, was replaced as president of the South African Rugby Foot-

ball Union by Silas Nkomo, a black human rights lawyer. Yet the organization's response to the loss could have come straight from the Luyt school of public relations. It took out an advertisement in South African newspapers Sunday headlined: "Seventeen Consecutive Wins — Sorry."

It read, in part: "So we didn't beat the New Zealand record for consecutive wins. We equaled it. It's still an awesome achievement. We're still the undisputed world champions."

But that title will be disputed in just under 12 months, when South Africa returns to the Northern Hemisphere to defend its World Cup in Europe.

South Africa won three of its four internationals on this visit to the British Isles, at the end of a long and tiring season. Now its players can return home for a well-earned rest, but by the time the World Cup rolls round, they could be drained again.

The World Cup is being played in the autumn to avoid clashing with the European five nations tournament and the Tri-Nations and Super 12 tournaments in the Southern Hemisphere.

While the northern countries will be just starting their season when the World Cup starts, the southern players will have completed another packed season of provincial and international games.

One of the curious aspects of South Africa's run was that while the first nine victories were by an average of nearly 36 points, the last eight were by an average of just 11 points. That in part reflects tougher games, but it also reflects a more conservative approach under Nick Mallett, who replaced the more attacking, some would say more naive, Carl Du Plessis as coach, just over a year ago.

Like Australia, South Africa has taken a forward-dominated approach in the run up to the World Cup.

Both teams are happy to play a smash-mouth type of rugby. Pounding away with their forwards until the opponents wear down or cave in, throwing the ball to the backs only when it is clear that the opposing defense is out of position.

Both teams habitually make multiple substitutions in the pack in the second half, to exploit the depths of experience and strength they have on the bench.

As time ticked away, the English pack held on to the ball and drove the South African forwards backward. Only a careless infringement a few yards from the South African goal line gave the Springboks the ball back. With no alternative, Adrian Venter launched a daring counterattack. In the blink of an eye, the South Africans gained 80 yards, and only a diving lunge by Luger, England's last defender, stopped the ball from reaching Terblanche and prevented a try.

In Edinburgh, Kenny Logan scored five tries as Scotland crushed Spain, 85-3, in a World Cup qualifying game.

SCOREBOARD

ASIAN GAMES

SUNDAY IN BANGKOK, THAILAND

1. Naoko Takahashi, Japan, 2:20:47.
2. Kim Chang, North Korea, 2:34:55.
3. Tomoko Kai, Japan, 2:50:01.

ICE HOCKEY

WORLD LEADERS

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

NHL STANDINGS

ATLANTIC DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

NORTH DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

NORTHWEST DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

PACIFIC DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

WEST DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

WESTERN DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

WESTERN DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
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WESTERN DIVISION

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

FOOTBALL

U.S. COLLEGE SCORES

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
4. New York Rangers, 1-0.
5. New York Islanders, 1-0.

FOOTBALL

1. New Jersey Devils, 3-1.
2. Pittsburgh Penguins, 2-1.
3. Philadelphia Flyers, 1-0.
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FOOTBALL

1. New Jersey Devils, 3-

WORLD ROUNDUP

Price Holds On

GOLF Nick Price held off a charge by Tiger Woods to win his third Million Dollar Challenge Sunday after a five-hole playoff in Sun City, South Africa.

Price birdied the 409-yard, par-four 17th for his third victory at the tournament. Woods, whose ball was just off the edge of the green, two-putted the hole. Both men had finished on 15-under at 273.

Woods started the day four strokes back but charged on the back nine. He birdied the 17th and 18th holes. Price was up a stroke at the final hole but he two-putted for par. Justin Leonard finished third, a stroke behind. Lee Westwood, the overnight leader, shot a 73, and finished with a total of 276, tied for fourth with Mark O'Meara. (AP)

Soccer Deaths Investigated

DRUGS Raffaele Guariniello, a Turin prosecutor, said he was looking into the deaths of 45 soccer players which may be related to the use of performance-enhancing drugs, according to Italian news reports.

Guariniello, who has been questioning dozens of soccer figures during his investigation, was looking into the alleged use of drugs by a number of players who died of rare diseases.

The Rome daily La Repubblica wrote Sunday that Guariniello was investigating suspect, premature deaths of at least 45 Italian first and second division players over the last 10 years. (AP)

Late Goal by Silvestre Earns Inter a Draw

Feyenoord Wins at Home; Mallorca Triumphs

Compiled by Our Staff From Dispatches
Michael Silvestre spared Mircea Lucescu a losing start as coach of Inter Milan, scoring a goal in the final seconds at Vicenza on Sunday to earn his team a 1-1 draw.

Silvestre came off the bench to score, and while his goal may have canceled out Pasquale Luiso's 20th-minute penalty, it did not erase the memory of Inter players losing their cool. Taribo West, a

defender, angrily threw his shirt to the ground when taken off and Ivan Zamorano, a striker, was dismissed for kicking an opponent.

Nevertheless, Inter's hard-earned point was enough to edge it into fifth place ahead of Juventus, which lost, 1-0, at home to Lazio. Marcelo Salas scored the winning goal for the Rome team with nine minutes to play.

Juve, which must beat Rosenborg on Wednesday to have a chance of qualifying for the quarterfinals of the European Cup, has not won in five league matches and has failed to score in its last four.

Both Juve and Inter, which finished first and second in last season's title race, are seven points adrift of the Serie A leader, Fiorentina — which halted Bologna's 16-match unbeaten run with a 1-0 victory Saturday.

AC Milan, which lost 4-0 at Parma the previous week, beat Udinese, 3-0. Oliver Bierhoff, a German striker,

brought his eight-match goal drought to a halt with a tally against his former club, George Weah and Leonardo, with a superb volley, scored the other goals to keep Milan fourth, a point behind AS Roma and Parma, which both won Saturday.

NETHERLANDS Feyenoord, the Dutch league leader, gained a fortunate, 1-0 home victory Sunday when Luc Maes, a Nijmegen defender, put the ball into his own net with three minutes to play. Feyenoord stretched its lead to six points over Vitesse Arnhem, which won, 5-3, at Willem II Tilburg on Friday, and Ajax Amsterdam, which drew 1-1 at home to Maastricht on Sunday.

Feyenoord had the best of its game but struggled to find a way through a resolute Nijmegen defense until Maes deflected a free kick by Patrick Pauw.

Ajax also left it late, as a free kick by Sunday Oliseh in the 83d minute secured its point.

Kenneth Perez had opened the scoring four minutes into the second half as Maastricht seemed on course for its first victory in Amsterdam for 18 years.

PSV Eindhoven won, 4-3, at NAC Breda on Sunday to climb to seventh.

SPAIN Dani Garcia scored in the 82d minute Saturday to give Mallorca a 1-0 victory at Real Betis, and increase the islanders' lead in the Spanish league to two points.

Deportivo La Coruna rose to second with a 2-1 victory at home over hapless Barcelona. It was Barcelona's third consecutive defeat.



Harald Cherny of 1860 Munich holding off Leonardo Dede of Dortmund.

Deportivo went into the lead when Africa's newly crowned Footballer of the Year, Mustapha Hadji, scored in the 76th minute.

Rivaldo slotted in a penalty in the 88th minute to level but Francisco Fran

dealt the hammer blow on the whistle.

Celta Vigo slipped to third after being held to a 1-1 draw away to Salamanca. Vigo got off to a bright start when Mazinho put them ahead in the fifth minute. Cardetti saved Salamanca with a late equalizer. (AP, Reuters, AFP)

Flutie Leads The Bills to 33-20 Victory Over Bengals

The Associated Press
CINCINNATI — Doug Flutie and Eric Moulds gave an already restless crowd plenty to boo.

Flutie and Moulds hooked up on a 30-yard touchdown that changed the game's momentum late in the first half, then put the Buffalo Bills in control with

a 30-yard touchdown that sealed a 33-20 victory Sunday over the Cincinnati Bengals.

The Bills (8-5) got their eighth victory in 10 games and remained in the thick of the AFC East race by picking apart the NFL's lowest-rated defense in front of thousands of disgruntled fans.

The Bengals (2-11) lost their eighth in a row — their longest losing streak since 1994 — while about two dozen banners demanding change fluttered in the December wind.

Flutie directed an offense that scored in every quarter and moved the ball consistently. He completed 18-of-30 for 319 yards — his second straight 300-yard game — and was intercepted a season-high three times.

Flutie and Moulds set the tone on the first play of the game, when the third-year receiver ran past Ashley Ambrose and caught a 55-yard pass in stride to set up Antowain Smith's 1-yard touchdown run.

Neil O'Donnell, starting for the first time in three games, soothed the fans and stunned the Bills by throwing a pair of touchdown passes in the second quarter for the Bengals' first lead in 17 quarters. But it didn't survive the half. Flutie and Moulds beat a blitz and turned the game with their 70-yard touchdown with 1:41 left.

Moulds broke clear on a short slant, avoided two diving defensive backs as he sprinted up the middle, then bounced off cornerback Ashley Ambrose on his way to the end zone.

Falcons 26, Colts 21 Chris Chandler, the Atlanta quarterback who was sidelined last week with a sprained right ankle, ran for one touchdown and threw for two more as the Falcons rallied from 14 points down to win their sixth straight game.

Chandler shook off five sacks to complete 20-of-28 for 297 yards, his best game in two years with Atlanta. The NFC West-leading Falcons (11-2), who trailed 14-0 and 21-7, went ahead by scoring three touchdowns in just over a three-minute span at the end of the first half and beginning the second.

In other games: The New Orleans Saints routed the Dallas Cowboys, 22-3; the New York Jets downed the Seattle Seahawks, 32-31; the Washington Redskins beat the San Diego Chargers, 24-20; the Jacksonville Jaguars upended the Detroit Lions, 57-22; the San Francisco 49ers beat the Carolina Panthers, 32-28, and the New England Patriots drubbed the Pittsburgh Steelers, 27-0.

Swedes Unite for Davis Cup Victory, and Defeat Divides Italians

By Christopher Clarey
International Herald Tribune

MILAN — The suspense did not last long in Lombardy, and when it ended with Jonas Bjorkman gleefully grabbing doubles partner Nicklas Kulti for the second year in a row, the Swedes were united and their opponents divided.

Unlike other tennis events, the Davis Cup rewards unity, and Sweden has been rewarded more than any other nation since the 16-team World Group was formed in 1981. They have won six of their seven titles during that span, more than the Americans, the Australians or any of the other teams with longer but not deeper connections to the competition that Dwight Davis started in 1900.

"Yes, the Swedes do have good singles players, but their biggest weapon is their harmony, their chemistry," said Boris Becker, whose German squad lost to them in the quarterfinals this year.

Becker was watching from the stands here Saturday as Bjorkman and Kulti gave Sweden an insurmountable 3-0 lead over Italy by defeating Diego Nargiso and Davide Sanguinetti in straight sets. Sweden would end up winning, 4-1.

"We are always going to play Davis Cup because we feel it's great for us, and it's something we all really enjoy," Bjorkman said recently. "But it would be even better if we had the chance to beat the best."

The best, namely Pete Sampras of the United States, did not play the Davis Cup this year, but it is worth remembering that the Swedes did beat Sampras and the Americans 5-0 in the final last year in Gothenburg.

This time, they had to settle for beating the much less imposing and recognizable Italians. The Swedish singles players were different. Last December, they were Bjorkman and Magnus Larsson. This December, they were Magnus Norman and Magnus Gustafsson. But the formula was the same: camaraderie plus comedy.

The Swedes, despite their often straight faces in public, are committed pranksters. While they were training for this final on clay in Monaco, Bjorkman and Kulti hatched a plot against their captain, Carl-Axel (Calle) Hageskog, and Anders Jarryd, the assistant captain. A telephone call was placed, and Hageskog was informed that Prince Albert of Monaco had requested his team's

company for an evening at the palace.

"The best part was when we came up to the palace, and Calle is walking into it like he is this proud matador," Gustafsson said. "Then the guard jumps out and says, 'You can't pass here.' And Calle points at the castle and makes the best comment of the week: 'But he invited us to dinner.' I think we were all scared to say something at that point, but finally we had to say something."

They were laughing again Sunday as they gathered around the silver cup and sprayed champagne on each other after splitting the meaningless reverse singles matches with the Italians.

The hosts were not quite as light-hearted. After a charmed Davis Cup run, their luck ran out in Milan. There is tension between the players, who want Paolo Bertolucci to be rehired as captain for next year, and the Italian federation, which has yet to announce its decision.

There was also an exchange between the top Italian player, Andrea Gaudenzi, and the Italian federation president, Francesco Ricci Bitti. On Friday night, Gaudenzi retired from his opening match in Milan at 6-6 in the fifth set after reinjuring his fragile right shoulder. He later expressed disappointment that Ricci

Bitti and the national technical director, Adriano Panatta, had not watched all of his match from courtside and had not called him to check on his condition or congratulate him for his effort.

"Andrea thinks he's like Ronaldo, but for me he's like Colonnesse," said Ricci Bitti, referring to one of the soccer star Ronaldo's lesser-known Inter Milan teammates. Ricci Bitti also questioned the severity of Gaudenzi's injury, saying the player went to a discotheque Friday night.

There was more tension during a news conference Sunday in which Ricci Bitti again declined to give Bertolucci a vote of confidence. His final decision is not expected to be announced until next year, and it is hardly the only pending decision that will affect the Davis Cup.

The International Tennis Federation, which oversees the competition, is considering a change in the format of the event, which will complete its first century in 1999. There are thoughts about making it more spectator-friendly and, above all, more television-friendly.

Best-of-five-set matches are difficult for programmers to schedule because their length can vary greatly. And with television revenue set to drop when a

lucrative German television contract expires at the end of next year, there is an incentive for change.

On Friday night, Swedish public television cut away from the nearly five-hour opening match between Norman and Gaudenzi with Norman leading 5-4 in the final set to broadcast a regional news program, so Swedish viewers did not see the conclusion of Norman's dramatic victory live.

Cutting the opening singles matches to best-of-three sets or introducing a fifth-set tiebreaker are two options being considered. So is the possibility of playing best-of-three for the first two rounds of the Davis Cup and best-of-five for the semifinal and final rounds. Introducing no-advantage scoring is a more radical option. There is also discussion of cutting the World Group to 14 teams and giving the finalists a first-round bye the next year to lighten the scheduling demands on top players.

Whatever changes are made cannot be put in place until 2000. Next year's format and schedule are already set, and the Swedes, still united and still excited, remain very much the team to beat.

"We want three in a row," Gustafsson said.



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